

Which Section of Form 4884 Should I Complete?

To determine which section of Form 4884 to complete to claim a retirement or pension benefits subtraction or a Michigan Standard Deduction, if applicable, answer the following questions. Questions 3 and 4 will establish information about the key person, which will be referenced through the remainder of the questionnaire and help determine which section should be completed.

1. Did you or your spouse (if filing a joint return) receive qualified retirement benefits that are included in AGI?

Yes: Continue to question 2.

No: You are not eligible for a retirement and pension benefits subtraction. Do not file Form 4884. If the older of you or your spouse was born during the period January 1, 1946 through January 1, 1957 and have reached age 67, complete Worksheet 2.

2. Did you or your spouse (if filing a joint return) receive qualified retirement benefits, included in AGI, earned from service by a fire, police, or county corrections retiree (see instructions to determine if you qualify)?

Yes: If the older of you or your spouse (if filing a joint return) were born during the period January 1, 1946 through January 1, 1957 and have reached age 67, complete and compare Worksheet 2 and Section A of Form 4884 and claim the larger subtraction.†

If the older of you or your spouse (if filing a joint return) were born prior to January 1, 1946, after January 1, 1957, or have not reached age 67, complete Section A of Form 4884.

No: Continue to question 3.

3. What is your current filing status?

Single: If you claimed a subtraction for retirement and pension benefits on a return jointly filed with the decedent in the year your spouse died, the key person is the older of you or your deceased spouse who died prior to 2023, whoever has the earlier year of birth. Otherwise, the key person is you.

Married filing jointly: The key person is the older of you or your spouse. If either of you have a deceased spouse who died prior to 2023, you are not eligible to claim the retirement and pension benefits subtraction based on the deceased spouse's year of birth.

Married filing separately: The key person is you. If you have a deceased spouse, you are not eligible to claim the retirement and pension benefits subtraction based on your deceased spouse's year of birth.

4. What is the key person's year of birth?

5. Was the key person born prior to January 1, 1946?

Yes: If you are a surviving spouse who was born during the period January 1, 1946 through January 1, 1957 and have reached age 67, complete and compare Worksheet 2 and Section A of Form 4884 and claim the larger subtraction.†

All others, complete Section A of Form 4884.

No: Continue to question 6.

6. Did the key person reach age 67?

Yes: If you are the surviving spouse of a deceased key person and you have not reached age 67, continue to question 8.

If you are the surviving spouse of a decedent who received retirement benefits from SSA exempt employment, continue to question 9.

All others, complete and compare Worksheet 2 and Worksheet 3.3 and claim the larger subtraction

No: Continue to question 7.

7. Are you the surviving spouse of a key person born during the period of January 1, 1946 through December 31, 1952?

Yes: If you, as the surviving spouse, were born during the period January 1, 1946 through January 1, 1957, complete Worksheet 2 and Worksheet 3.1 and claim the larger subtraction.

If you, as the surviving spouse, were born after January 1, 1957, complete Section B* of Form 4884.

No: Continue to question 8.

8. Do you receive retirement benefits from SSA exempt employment?

Yes: Continue to question 9.

No: If the key person, or the surviving spouse of a deceased key person, was born during the period January 2, 1956 through December 31, 1958, complete Section D*** of Form 4884.

If the key person, or the surviving spouse of a deceased key person, was born after December 31, 1958, you are not eligible for a retirement and pension benefits subtraction. Do not file Form 4884

9. Answer the question below that corresponds to your current filing status:

Single: Do you or your deceased spouse receive retirement benefits from SSA exempt employment and were retired as of January 1, 2013?

Married filing jointly: Do you or your spouse receive retirement benefits from SSA exempt employment and were retired as of January 1, 2013?

Married filing separately: Do you receive retirement benefits from SSA exempt employment and were retired as of January 1, 2013?

Yes: If you, as the surviving spouse, have reached age 67, complete and compare Worksheet 2 and Worksheet 3.1 and claim the larger subtraction.

All others, complete Section B* of Form 4884.

No: Continue to question 10.

10. Answer the question below that corresponds to your current filing status:

Single: Do you or your deceased spouse receive retirement benefits from SSA exempt employment and have reached age 62?

Married filing jointly: Do you or your spouse receive retirement benefits from SSA exempt employment and have reached age 62?

Married filing separately: Do you receive retirement benefits from SSA exempt employment and have reached age 62?

Yes: If you, as the surviving spouse, have reached age 67, complete and compare Worksheet 2 and Worksheet 3.2 and claim the larger subtraction.

If the older of you or your spouse (if filing a joint return) were born during the period January 2, 1957 through December 31, 1958, complete and compare Worksheet 3.2 and Worksheet 3.3 and claim the larger subtraction.

All others, complete Section C** of Form 4884.

No: You are not eligible for a retirement and pension benefits subtraction. Do not file Form 4884.

*If you have taxable railroad retirement benefits or qualifying retirement and pension benefits from service in the U.S. Armed Forces or Michigan National Guard that was deducted on Schedule 1, line 11, use Worksheet 3.1 to determine your allowable subtraction for Form 4884 Section B.

**If you have taxable railroad retirement benefits or qualifying retirement and pension benefits from service in the U.S. Armed Forces or Michigan National Guard that was deducted on Schedule 1, line 11, use Worksheet 3.2 to determine your allowable subtraction for Form 4884 Section C.

***If you have taxable railroad retirement benefits or qualifying retirement and pension benefits from service in the U.S. Armed Forces or Michigan National Guard that was deducted on Schedule 1, line 11, use Worksheet 3.3 to determine your allowable subtraction for Form 4884 Section D.

† If your Michigan Standard Deduction results in a larger subtraction, do not file Form 4884.

WORKSHEET 2: TIER 2 AND TIER 3 MICHIGAN STANDARD DEDUCTION

Calculation of Tier 2 or Tier 3 Michigan Standard Deduction for taxpayers born during the period January 1, 1946 through January 1, 1957. Note: If married, filing a joint return, the older of you or your spouse must be born during this period to qualify for the Michigan Standard Deduction.

- 1. Enter \$20,000 if single or married filing separately or \$40,000 if married filing a joint return..... _____
- 2. Enter the amount based on your answer to line 2a or line 2b. If you do not qualify under line 2a or 2b, enter \$0..... _____
 - a. If the older of you or your spouse (if filing a joint return) was born during the period January 1, 1946 through December 31, 1952:
 - i. Enter \$15,000 if single or if filing jointly and one spouse checked either box 24C or 24G on Schedule 1.
 - ii. Enter \$30,000 if filing jointly and both spouses checked boxes 24C and 24G on Schedule 1.
 - b. If the older of you or your spouse (if filing a joint return) was born during the period January 1, 1953 through January 1, 1957:
 - i. Enter \$15,000 if single or if filing jointly and one spouse checked either boxes 24C and 24D or 24G and 24H on Schedule 1.
 - ii. Enter \$30,000 if filing jointly and both spouses checked boxes 24C and 24D, and 24G and 24H on Schedule 1.
- 3. Add lines 1 and 2..... _____
- 4. Enter the amount of compensation received for active duty in the U.S. Armed Forces included in AGI from Schedule 1, line 14. (Nonresidents and part-year residents, enter total compensation; do not enter only the portion attributable to Michigan.)..... _____
- 5. Enter military retirement benefits due to service in the U.S. Armed Forces or Michigan National Guard or taxable railroad retirement benefits included in AGI from Schedule 1, line 11. (Nonresidents and part-year residents, enter total benefits; do not enter only the portion attributable to Michigan.) _____
- 6. Add lines 4 and 5..... _____
- 7. Subtract line 6 from line 3. If line 6 is greater than line 3, enter \$0. _____
 - a. If the older of your or your spouse (if filing a joint return) was born during the period January 1, 1946 through December 31, 1952, STOP; the amount on line 7 is your Tier 2 Michigan Standard Deduction. If you also receive qualified retirement benefits that are included in AGI, you may instead qualify for a larger retirement and pension benefits subtraction; see "Which Section of Form 4884 Should I Complete?" on page 22. If you claim the Tier 2 Michigan Standard Deduction, enter the amount from line 7 on Schedule 1, line 25.
 - b. If the older of you or your spouse (if filing a joint return) was born during the period January 1, 1953 through January 1, 1957 and reached age 67, you or your spouse was retired as of January 1, 2013, and also received retirement benefits from SSA exempt employment, STOP; the amount on line 7 is your Tier 2 Michigan Standard Deduction. If you also receive qualified retirement benefits that are included in AGI, you may instead qualify for a larger retirement and pension benefits subtraction; see "Which Section of Form 4884 Should I Complete?" on page 22. If you claim the Tier 2 Michigan Standard Deduction, enter the amount from line 7 on Schedule 1, line 25.
 - c. If the older of you or your spouse (if filing a joint return) was born during the period January 1, 1953 through January 1, 1957 and you don't meet the other qualifications described in line 7b, continue to line 8 to calculate your Tier 3 Michigan Standard Deduction.
- 8. Enter the amount of taxable Social Security benefits included in AGI from Schedule 1, line 14..... _____
- 9. Enter the amounts from MI-1040, lines 9a and 9d. (Nonresidents and part-year residents, enter total of lines 9a and 9d multiplied by the percentage from Schedule NR, line 18. If you are required to complete Worksheet 6 – Exemption Allowance from Schedule NR, carry the amount from Worksheet 6, line 22 to this line.) _____
- 10. Add lines 8 and 9..... _____
- 11. Subtract line 10 from line 7. If line 10 is greater than line 7, enter \$0..... _____

The amount on line 11 is your Tier 3 Michigan Standard Deduction. If you also receive qualified retirement benefits that are included in AGI, you may instead qualify for a larger retirement and pension benefits subtraction; see "Which Section of Form 4884 Should I Complete?" on page 22. If you claim the Tier 3 Michigan Standard Deduction, enter the amount from line 11 on Schedule 1, line 26.

Worksheet 3.1: Retirement and Pension Benefits Subtraction for Section B of Form 4884

1. Enter \$61,518 if single or \$123,036 if filing jointly	1.		00
2. Enter military retirement benefits due to service in the U.S. Armed Forces or Michigan National Guard and taxable railroad retirement benefits reported on Schedule 1, line 11	2.		00
3. Enter public retirement and pension benefits reported on Form 4884, line 8.....	3.		00
4. Add lines 2 and 3.....	4.		00
5. Subtract line 4 from line 1. If line 4 is greater than line 1, enter \$0	5.		00
6. Enter private retirement and pension benefits report on Form 4884, line 8	6.		00
7. Enter the smaller of line 5 or line 6.....	7.		00
8. Add lines 3 and 7.....	8.		00
9. Enter \$20,000 if single or \$40,000 if filing jointly	9.		00
10. Enter \$15,000 if single or if filing jointly and one spouse checked either box 24C or 24G on Schedule 1. Enter \$30,000 if filing jointly and both spouses checked boxes 24C and 24G on Schedule 1.....	10.		00
11. Add lines 9 and 10.....	11.		00
12. Enter the smaller of line 8 or line 11	12.		00

If the older of you or your spouse (if filing a joint return) was born during the period January 1, 1946 through January 1, 1957, you are eligible to claim the larger of your pension and retirements benefits subtraction calculated on line 12 of this worksheet or the amount calculated on Worksheet 2: Tier 2 or Tier 3 Michigan Standard Deduction.

If you claim the pension and retirements benefits subtraction from this worksheet, enter the amount from line 12 on Form 4884, line 17.

Worksheet 3.2: Retirement and Pension Benefits Subtraction for Section C of Form 4884

1. Enter \$61,518 if single or \$123,036 if filing jointly	1.		00
2. Enter military retirement benefits due to service in the U.S. Armed Forces or Michigan National Guard and taxable railroad retirement benefits reported on Schedule 1, line 11	2.		00
3. Enter public retirement and pension benefits reported on Form 4884, line 8.....	3.		00
4. Add lines 2 and 3.....	4.		00
5. Subtract line 4 from line 1. If line 4 is greater than line 1, enter \$0	5.		00
6. Enter private retirement and pension benefits reported on Form 4884, line 8	6.		00
7. Enter the smaller of line 5 or line 6.....	7.		00
8. Add lines 3 and 7.....	8.		00
9. Enter \$15,000 if single or if filing jointly and one spouse checked either box 24C or 24G on Schedule 1. Enter \$30,000 if filing jointly and both spouses checked boxes 24C and 24G on Schedule 1.....	9.		00
10. Enter the smaller of line 8 or line 9 here.....	10.		00

If you were instructed to compare this worksheet with Worksheet 3.3, you are eligible to claim the larger of your pension and retirements benefits subtraction calculated on line 10 of this worksheet or the amount calculated on Worksheet 3.3.

If you claim the pension and retirements benefits subtraction from this worksheet, enter the amount from line 10 on Form 4884, line 18.

Worksheet 3.3: Retirement and Pension Benefits Subtraction for Section D of Form 4884

1. Enter \$61,518 if single or \$123,036 if filing jointly	1.		00
2. Enter military retirement benefits due to service in the U.S. Armed Forces or Michigan National Guard and taxable railroad retirement benefits reported on Schedule 1, line 11.	2.		00
3. Subtract line 2 from line 1. If line 2 is greater than line 1, enter \$0.	3.		00
4. Multiply line 3 by 25% (0.25).	4.		00
5. Enter total public and private retirement and pension benefits, including benefits received from a deceased spouse who died prior to 2023, from Form 4884, line 8.	5.		00
6. Enter the smaller of line 4 or line 5.	6.		00

If the older of you or your spouse (if filing a joint return) was born during the period January 1, 1946 through January 1, 1957, you are eligible to claim the larger of your pension and retirements benefits subtraction calculated on line 6 of this worksheet or the amount calculated on *Worksheet 2: Tier 2 or Tier 3 Michigan Standard Deduction*.

If you were instructed to compare this worksheet with Worksheet 3.2, you are eligible to claim the larger of your pension and retirements benefits subtraction calculated on line 6 of this worksheet or the amount calculated on Worksheet 3.2.

If you claim the pension and retirements benefits subtraction, enter the amount from line 6 on Form 4884, line 19.