Instructions for Form 5121,
City of *Detroit Withholding Tax Schedule - 2021*

The *City of Detroit Withholding Tax Schedule* (Form 5121) is designed to report City of Detroit income tax withholding and to apportion nonresident wages.

Use a *City of Detroit Withholding Tax Continuation Schedule* (Form 5253) and include with return when you have more than eight W-2s or more than three partnerships to list on Form 5121. Carry the total from column E on Form(s) 5253 and add it to the total on line 5 on Form 5121. Carry the total from column C on Form(s) 5253 and add it to the total on line 6 on Form 5121.

Include a completed Form 5121 with your City of Detroit income tax return.

If Form 5121 is not included when required, the processing of your return will be delayed. Do not submit W-2 or 1099 forms with your return. Keep copies of your W-2 and 1099 forms with your tax records for six years and have them available if requested by the Department of Treasury.

Completing the Withholding Tables

Lines not listed are explained on the form.

Complete Form 5121 using information from your W-2, 1099 forms, and any other documents that report City of Detroit income tax withheld. If you need additional space, place an "X" in the box under line 6 and complete Form 5253.

PART 1 Column D: Enter wages, tips, and other compensation from which city income tax was withheld. Also list any income reported on Form 1099 from which city income tax was withheld.

PART 1 Column E: Enter income tax withheld on compensation included in Column D. Also list any withholding reported on Form 1099.

PART 2: Enter City of Detroit income tax withholding paid on your behalf by a partnership. Include the partnership's name and federal identification number.

PART 3: Complete this section only if wages earned while a nonresident were earned from employment that was partly inside and partly outside the City of Detroit. A resident of the City of Detroit should not complete Part 3. For wages earned by a nonresident working entirely inside the City of Detroit, Part 3 is not required.

Part-year residents should only complete this section if they have wages earned while a nonresident that were earned both inside and outside the City of Detroit. If a part-year resident worked at the same job as both a resident and as a nonresident, Column G will not be the full amount reported in Box 1 of Form W-2. The taxpayer should report the full amount of wages earned as a resident on Form 5120, line 10, Column A. If the taxpayer also has wages earned within Detroit as a nonresident, the amount reported in Column G should be the difference between the amount from Form W-2, Box 1, and the amount reported on Form 5120, line 10, Column A. For that job, the part-year resident taxpayer would complete Columns B – F based on the time worked as a nonresident only.

Example: A taxpayer worked at the same job for the entire year. The main job location was inside Detroit, but the taxpayer worked outside Detroit an average of one day per week. On August 1st, the taxpayer moved into Detroit. Box 1 of Form W-2 reports $42,000. The taxpayer would report $17,500 on line 10, Column A, of Form 5120 based on being a resident for 5 months. The taxpayer would then report $42,000 - $17,500 = $24,500 in Column G, Part 3 of the City Schedule W. Columns B through F would be completed based on the taxpayer's actual work location while a nonresident.

Basic Guidelines for PART 3:

- Days Worked: Actual number of days you were on the job. It does not include holidays, sick days, vacation days or other days not worked.
- Hours may be substituted for days. However, tax preparation software may require you to convert hours into days worked.
- **Note: Drivers** are considered working in the City of Detroit while driving within city limits.
- If less than 100 percent of your wages are attributable to work inside the City of Detroit, please obtain a letter from your employer to verify Columns B through E of Form 5121 and retain your work log. Treasury may request a copy of your work log and employer letter.
- **Do not round percentages.** Report percentages to the second decimal place.