Reset Form

Michigan Department of Treasury
5792 (Rev. 03-24), Page 1 of 2

Issued under authority of Public Act 281 of 1967, as amended.

Attachment 33

2024 MICHIGAN First-Time Home Buyer Savings Program

See instructions for criteria to determine if a beneficiary qualifies. If a beneficiary does not qualify, **do not** include the account information on this form.

Filer's First Name	M.I.	Last Name	Filer's Full Social Security No. (Example: 123-45-6789)
			— —
If a Joint Return, Spouse's First Name	M.I.	Last Name	Spouse's Full Social Security No. (Example: 123-45-6789)
			— —

				Contributions During the Tax Year		Interest Earned on Home Buyer Savings Account During the Tax Year	
Account Holder's Name		Qualified Beneficiary's Name (See Instructions)					
Name of Financial Institution		Account Number					
Beginning of Year Balance .00	End of Year Balance .00	Date Account Was Opened	Date of Withdrawal		00		00
Account Holder's Name		Qualified Beneficiary's Name					
Name of Financial Institution		Account Number					
Beginning of Year Balance .00	End of Year Balance .00	Date Account Was Opened	Date of Withdrawal		00		00
Account Holder's Name		Qualified Beneficiary's Name					
Name of Financial Institution		Account Number					
Beginning of Year Balance .00	End of Year Balance .00	Date Account Was Opened	Date of Withdrawal		00		00
Account Holder's Name		Qualified Beneficiary's Name					
Name of Financial Institution		Account Number					
Beginning of Year Balance .00	End of Year Balance .00	Date Account Was Opened	Date of Withdrawal		00		00
Account Holder's Name		Qualified Beneficiary's Name					
Name of Financial Institution		Account Number					
Beginning of Year Balance .00	End of Year Balance .00	Date Account Was Opened	Date of Withdrawal		00		00
Account Holder's Name		Qualified Beneficiary's Name					
Name of Financial Institution		Account Number					
Beginning of Year Balance .00	End of Year Balance .00	Date Account Was Opened	Date of Withdrawal		00		00
1. Net contributions to all first-time home buyer savings accounts. Maximum $5,000 for single filers or $10,000 for joint filers					00		
2. Add total interest earned on all first-time home buyer savings accounts							00
3. Add lines 1 and 2. Enter here and on Schedule 1, line 21							00

✚ 0000 2024 99 01 27 3

Calculation for Nonqualified Withdrawals

Account Number	Total Nonqualified Withdrawal (NQW)	00	Addback of NQW	00	Penalty Amount	00
Type of NQW	Tax Year First Subtraction Was Claimed					
Account Number	Total Nonqualified Withdrawal (NQW)	00		00		00
Type of NQW	Tax Year First Subtraction Was Claimed					
Account Number	Total Nonqualified Withdrawal (NQW)	00		00		00
Type of NQW	Tax Year First Subtraction Was Claimed					
Account Number	Total Nonqualified Withdrawal (NQW)	00		00		00
Type of NQW	Tax Year First Subtraction Was Claimed					
Account Number	Total Nonqualified Withdrawal (NQW)	00		00		00
Type of NQW	Tax Year First Subtraction Was Claimed					
Account Number	Total Nonqualified Withdrawal (NQW)	00		00		00
Type of NQW	Tax Year First Subtraction Was Claimed					

4. Total nonqualified withdrawal addback amounts from all accounts. Enter here and on Schedule 1, line 8 00

5. Total penalty amounts from all accounts. Enter here and on MI-1040, line 22 00

Instructions for Form 5792, *Michigan First-Time Home Buyer Savings Program*

Purpose

To allow eligible taxpayers to claim a deduction for contributions to a first-time home buyers savings account. Form 5792, *Michigan First-Time Home Buyer Savings Program* must be filed with the taxpayer's *Michigan Individual Income Tax Return* (Form MI-1040) to report account information. For more information see **www.michigan.gov/taxes.**

Michigan First-Time Home Buyer Savings Program

The Michigan First-Time Home Buyer Savings Program assists first-time home buyers with the purchase of their Michigan principal residence. An individual may open a first-time home buyer savings account with any financial institution authorized to do business in Michigan; the account may be used for the payment or reimbursement of eligible costs for the purchase of a single-family residence in Michigan by a qualified beneficiary designated on the account. A first-time home buyer savings account may be opened beginning January 1, 2022, through December 31, 2026.

A qualified beneficiary is a first-time home buyer who is designated as the beneficiary of a first-time home buyer savings account by the account holder. A first-time home buyer is a Michigan resident who has not owned or purchased (individually or jointly) a single-family residence during a period of 3 years before the date of the purchase of a Michigan single-family residence. The qualified beneficiary may be the account holder or another Michigan resident designated by the account holder.

Deductions may be claimed for contributions made in tax years 2022 through 2026 to a first-time home buyer savings account less qualified withdrawals made from the same account up to a total deduction of $5,000 on a single return or $10,000 for a jointly filed return, to the extent not deducted in determining adjusted gross income (AGI). Interest earned on the account is also deductible for tax years 2022 and after to the extent not deducted in determining AGI. For tax years 2022 and after, distributions that are qualified withdrawals, made to pay or reimburse eligible costs, are deductible only to the extent that they are included in AGI.

A qualified withdrawal is not subject to Michigan income tax if the withdrawal is made at least one year after the account holder opened the account. To be a qualified withdrawal, the withdrawal must be made from an account that the taxpayer designated as a first-time home buyer savings account on the taxpayer's income tax return.

A 10% penalty is imposed on the amount withdrawn if funds are withdrawn from an account for any purpose other than the payment of eligible costs by or on behalf of a qualified beneficiary. The account holder is subject to the penalty and loss of tax benefits when account funds are used for any purpose other than the purchase of a Michigan single-family residence by the qualified beneficiary.

Eligibility

A Michigan First-Time Home Buyer Savings account must have an account holder and a qualified beneficiary. The account holder may also be the qualified beneficiary. An individual may establish more than one first-time home buyer savings account but each account must have a different qualified beneficiary. A qualified beneficiary may be designated on more than one first-time home buyer savings account. The maximum account balance for an account is $50,000. However, accounts may continue to accrue interest if the maximum account balance has been reached.

First-time home buyer savings accounts may only be used for first-time home buyer program purposes. Any use of the account funds for any purpose other than for eligible costs by a qualified beneficiary for the purchase of a single-family residence in Michigan will subject the account holder to penalties and loss of the tax benefits described above. Eligible costs are the down payment and disbursements listed on the settlement statement.

Supporting Documentation

An account holder must submit specific documents for the first-time home buyer savings account with the account holder's income tax return, including:

- Account statements that show the contributions made during the tax year and the taxable interest or earnings on the account in the tax year for which the deduction is claimed
- Upon withdrawal of funds from the account, a copy of the real estate settlement statement that shows the withdrawal was used for eligible costs; and
- The Form 1099 issued by the financial institution for the account for the tax year in which the deduction is claimed.

A taxpayer who is claiming a deduction and who is not the account holder for the account(s) must provide:

- Account statements to show the contribution(s) they made; and
- Account statements showing the qualified withdrawal(s), if any.

Completing the Contributions Table

Lines not listed are explained on the form.

Account Holder's Name: Attach the account statements that support the claim. If you contributed to an account for which you are not the account holder, list the account holder's name.

Date of Withdrawal: Attach the account statements that support the claim. If no withdrawal was made, leave blank. If multiple withdrawals were made enter "various".

Contributions During the Tax Year: Report here the net contribution, which is any contribution less any qualified withdrawal made during the year.

If there is a qualified withdrawal in the year where more than one taxpayer contributed to the account, the contribution must be prorated. The proration is equal to the actual contribution less the share of the qualified withdrawal that is equal to the qualified withdrawal multiplied by a fraction, the numerator of which is the taxpayer's contributions to the account and denominator of which is the total of all contributions made to the account during the year. The net contribution amount cannot be less than $0.

Prorated Contributions Example: Sarah, the account holder, contributed $6,000 to a first-time home buyer account. Another taxpayer also contributed $2,000 during the tax year for a total annual contribution to the account of $8,000. A qualified withdrawal of $5,000 for an earnest money payment

also occurred. To arrive at her net contribution, Sarah must determine what portion of the total withdrawal she must net against her contribution. The net contribution is calculated as follows:

$6,000 (Sarah's contribution) / $8,000 (total contributions) =75%

75% (0.75) x $5,000 (withdrawal) = $3,750 (Sarah's prorated portion of the withdrawal)

$6,000 - $3,750 = $2,250 (Sarah's net contribution)

$2,250 should be entered in the contribution box for this account.

Interest Earned on Home Buyer Savings Account During the Tax Year: Report interest earned on the account during the tax year if you are the account holder and the interest was included in your AGI.

Calculation for Nonqualified Withdrawals

Lines not listed are explained on the form.

Total Nonqualified Withdrawal (NQW): Enter the sum of all amounts withdrawn during the tax year for any purpose other than the payment of eligible costs related to the purchase of a Michigan single-family residence by the qualified beneficiary.

Enter only the taxpayer's proportional share of the amount withdrawn if multiple taxpayers contributed to the account. See Prorated Contributions Example.

Type of NQW: Enter the reason code if the NQW qualifies for an exception. See table below. If the NQW does not qualify for an exception, enter reason code 60.

Table 1: Reason Code for Type of NQW

10	Death or disability of the qualified beneficiary
20	Disbursement of assets in bankruptcy
30	Transfer from one account to an account for the benefit of another qualified beneficiary
40	Hardship withdrawal
50	A qualified beneficiary or their spouse is a service member who is transfered or deployed out of Michigan on active duty due to a permanent change of station
60	Other - Use this code if the withdrawal made did not meet any of the criteria above

Addback of NQW: The account holder who makes an NQW must add back an amount based on a comparison of the following:

- Amount withdrawn that was reported in Total NQW,
- Total amount of contributions and interest for that account that you deducted for all years, and
- Total amount of contributions for that account that you did not deduct.

If the amount reported in Total NQW is less than the total amount of contributions that you did not deduct, enter "0". Otherwise, enter the smaller of the amount reported in Total NQW or the total amount of contributions and interest.

Penalty Amount: A 10% penalty is assessed for an NQW. The account holder who made the NQW must report and pay the penalty.

If an NQW with reason code 60 was entered in Type of NQW, multiply the amount in Total NQW by 10% (0.1) and enter the result here.

Nonqualified Withdrawal Exception Example: Scott is the account holder for a First-Time Home Buyer Savings Account. Scott and his wife, Susan, contribute $10,000 to the account each year for two years. The account qualified beneficiary, Denise, served in the military in Michigan. In the third year, Denise was deployed out of state on active duty due to a permanent change of station order. Denise was no longer able to purchase a Michigan single-family residence to occupy as her principal residence. Scott withdrew all account funds and disbursed them to Denise. Although the withdrawal was not a qualified withdrawal, the penalty does not apply because Denise was on active duty and deployed out of state due to a permanent change of station order.

Scott entered "50" on the Form 5792, Type of NQW box; entered $20,000 on the Form 5792, Addback of NQW box; and entered $20,000 on Schedule 1, line 8 with a description of "Form 5792 Code 50 withdrawal".

Penalty Example: Grandparents were the account holders for Grandson's account. In Year 1, Grandparents contributed $7,000 to the account. They deducted the $7,000 contribution on their Michigan Schedule 1 when computing their income taxes. In Year 2, Grandparents contributed $10,000 to the account and deducted the $10,000 from gross income on their Michigan return. In Year 3, Grandparents contributed $10,000 to the account and on their Michigan return.

In Year 4, Grandparents withdrew $25,000 from the account to assist Grandson in paying for his purchase of a new car. Grandparents must pay a 10% penalty of $2,500 for a withdrawal not used for eligible costs for the purchase of Grandson's first home. Grandparents add back $25,000 of the $27,000 total deductions they took in all tax years when they contributed to the account.

On Form 5792, Grandparents entered:

- "60" in the Type of NQW box,
- $25,000 in the Addback of NQW box, and
- $2,500 in the Penalty Amount box.

Grandparents entered $25,000 on Schedule 1, line 8 with a description of "Form 5792 Code 60 withdrawal".

Telephone Options

517-636-4486
Automated Information Service

With Treasury's automated phone system, you can:

- Request the status of your refund
- Check the status of letters you have sent to Treasury
- Request information on estimated payments
- Order current tax year forms.

While most questions can be answered by the Automated Information Service, customer service representatives are available from 8 a.m. to 4:30 p.m., Monday through Friday. Assistance is available using TTY through the Michigan Relay Service by calling 711.