

2022 MICHIGAN Business Tax Charitable Contribution Credits

Issued under authority of Public Act 36 of 2007.

Taxpayer Name	Federal Employer Identification Number (FEIN) or TR Number
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1. Tax liability prior to this credit from Form 4568, line 9 1.

00

COMMUNITY AND EDUCATION FOUNDATIONS CREDIT

If not claiming the Community or Education Foundations Credit, carry amount from line 1 to line 6.

2. Enter Community and/or Education Foundation Code(s) (see instructions) 2.

Code 1

Code 2

3. Community and Education Foundations donation amount..... 3.

00

4. Multiply line 3 by 50% (0.50) 4.

00

5. **Community and Education Foundations Credit.** Enter the lesser of line 4, \$5,000, or 5% (0.05) of the tax on Form 4567, line 53. Carry amount to Form 4568, line 10 5.

00

6. Tax After Community and Education Foundations Credit. Subtract line 5 from line 1. If less than zero, enter zero 6.

00

HOMELESS SHELTER/FOOD BANK CREDIT

If not claiming the Homeless Shelter/Food Bank Credit, carry amount from line 6 to line 10.

7. Homeless Shelter/Food Bank cash donation amount 7.

00

8. Multiply line 7 by 50% (0.50) 8.

00

9. **Homeless Shelter/Food Bank Credit.** Enter the lesser of line 8, \$5,000, or 5% (0.05) of the tax on Form 4567, line 53. Carry amount to Form 4568, line 11 9.

00

10. Tax After Homeless Shelter/Food Bank Credit. Subtract line 9 from line 6. If less than zero, enter zero. (This line must be equal to Form 4568, line 12.) 10.

00

PUBLIC CONTRIBUTION CREDIT

If not claiming the Public Contribution Credit, complete line 11 and carry amount to line 15.

11. Enter tax amount from Form 4568, line 16 11.

00

12. Public Contribution donation amount 12.

00

13. Multiply line 12 by 50% (0.50) 13.

00

14. **Public Contribution Credit.** Enter the lesser of line 13, \$5,000, or 5% (0.05) of line 11. Carry amount to Form 4568, line 17 14.

00

15. Tax After Public Contribution Credit. Subtract line 14 from line 11. If less than zero, enter zero 15.

00

ARTS AND CULTURE CREDIT

If not claiming the Arts and Culture Credit, carry amount from line 15 to line 20.

16. Arts and Culture donation amount (see instructions) 16.

00

17. Qualified donation amount. Subtract \$50,000 from line 16. If less than zero, enter zero 17.

00

18. Multiply line 17 by 50% (0.50) 18.

00

19. **Arts and Culture Credit.** Enter the lesser of line 18, \$100,000, or the tax from line 15. Carry amount to Form 4568, line 18 19.

00

20. Tax After Arts and Culture Credit. Subtract line 19 from line 15. If less than zero, enter zero. (This line must be equal to Form 4568, line 19.) 20.

00

Instructions for Form 4572

Michigan Business Tax (MBT) Charitable Contribution Credits

Purpose

To allow standard taxpayers to claim the charitable contribution credits. Credits are calculated here and then carried to the *MBT Nonrefundable Credits Summary* (Form 4568).

NOTE: Financial institutions and insurance companies are not eligible for these credits.

NOTE: Beginning January 1, 2012, only those taxpayers with a certificated credit, which is awarded but not yet fully claimed or utilized, may elect to be MBT taxpayers. If a taxpayer files an MBT return and claims a certificated credit, the taxpayer makes the election to file and pay under the MBT until the certificated credit and any carryforward of that credit are exhausted. A taxpayer making a valid certificated credit election may also claim the credits on this form.

Special Instructions for Unitary Business Groups

Credits are generally earned and calculated on a group basis, unless the relevant statute contains entity-specific provisions. These credits, including the ceilings on these credits, are calculated on a group basis.

Complete one Form 4572 for the group.

Line-by-Line Instructions

Lines not listed are explained on the form.

Name and Account Number: Enter name and account number as reported on page 1 of the *MBT Annual Return* (Form 4567).

Credits

COMMUNITY ANDEDUCATION FOUNDATIONS CREDIT

A partial credit is allowed when donating to the endowment fund of a certified community foundation or education foundation. A list of certified foundations, if applicable, will be posted as a Revenue Administrative Bulletin found online at www.michigan.gov/treasury under "Reports and Legal Resources." If a valid code is not entered, a credit will not be allowed. If donations were made to more than two foundations, attach a list referencing the additional foundations.

HOMELESS SHELTER/FOOD BANK CREDIT

A partial credit is allowed when making a cash donation to a qualifying shelter for homeless persons, food kitchen, food bank, or other entity whose primary purpose is to provide overnight accommodations, food, or meals to indigent persons. For more information, see Michigan Compiled Law 208.1427, found online at www.legislature.mi.gov.

PUBLIC CONTRIBUTION CREDIT

A partial credit is allowed for Corporations and Partnerships (and Limited Liability Companies federally taxed as such) when

donations are made during the taxable year to public broadcast stations located in Michigan, Michigan public libraries, institutions of higher learning located in Michigan or a nonprofit corporation, fund, foundation, trust, or association organized and operated exclusively for the benefit of an institution of higher learning, the Michigan Colleges Foundation, and the Michigan Housing and Community Development Fund. A taxpayer that also is subject to the Michigan Income Tax Act (PA 281 of 1967) may not claim this credit under the MBT.

ARTS AND CULTURE CREDIT

A partial credit is allowed when donations are made to either of the following:

- **Category A:** A municipality or a nonprofit corporation affiliated with a municipality and an art, historical, or zoological institute for the purpose of benefiting the art, historical, or zoological institute, OR
- **Category B:** An institute devoted to the procurement, care, study, and display of objects of lasting interest or value.

To calculate the Arts and Culture Credit, a taxpayer may count aggregate contributions to the charities described in Category A above if those contributions exceed \$50,000, as well as aggregate contributions to charities described in Category B if those contributions exceed \$50,000. A taxpayer is not precluded from taking the credit for donations made to both categories as long as the taxpayer meets the minimum donation separately for each category and does not exceed the overall credit limitation of \$100,000.

Contributions within a category may be aggregated to reach the \$50,000 minimum. However, contributions made to one category may not be aggregated with contributions to the other to reach the \$50,000 minimum.

Line 16: Use the worksheet below to calculate the donation amount.

If aggregate contributions to Category A institutions exceed \$50,000, enter that aggregate amount here	
	+
If aggregate contributions to Category B institutions exceed \$50,000, enter that aggregate amount here	
	=
TOTAL Arts and Culture donation amount	

Include completed Form 4572 as part of the tax return filing.

2022 MICHIGAN Business Tax Miscellaneous Nonrefundable Credits

Issued under authority of Public Act 36 of 2007.

Taxpayer Name	Federal Employer Identification Number (FEIN) or TR Number
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PART 1 - If not taking any credits in Part 1, skip to Part 2.

This credit is no longer available. - Skip to line 7.

- 1. This credit is no longer available. Leave this line blank and skip to line 7.....
- 2. This credit is no longer available. Leave this line blank and skip to line 7.....
- 3. This credit is no longer available. Leave this line blank and skip to line 7.....

1.	XXXXXXXXXX	00
2.	XXXXXXXXXX	00
3.	XXXXXXXXXX	00

This credit is no longer available. - Skip to line 7.

- 4. This credit is no longer available. Leave this line blank and skip to line 7.....
- 5. This credit is no longer available. Leave this line blank and skip to line 7.....
- 6. This credit is no longer available. Leave this line blank and skip to line 7.....

4.	XXXXXXXXXX	00
5.	XXXXXXXXXX	00
6.	XXXXXXXXXX	00

START-UP BUSINESS CREDIT

- 7. Start-Up Business Credit (attach MEDC Certificate).....
- 8. Recapture of Start-Up Business Credit
- 9. **Start-Up Business Credit.** Subtract line 8 from line 7. Carry to Form 4568, line 15. If less than zero, enter as a negative number.....

7.		00
8.		00
9.		00

PART 2

- 10. Tax from Form 4568, line 19.....

10.		00
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NEXT ENERGY BUSINESS ACTIVITY CREDIT. If not claiming, carry amount from line 10 to line 13.

- 11. Next Energy Business Activity Credit (attach MEDC Certificate)
- 12. **Next Energy Business Activity Credit.** Enter the lesser of line 10 or 11. Carry amount to Form 4568, line 20....
- 13. Tax After Next Energy Business Activity Credit. Subtract line 12 from line 10.....

11.		00
12.		00
13.		00

RENAISSANCE ZONE CREDIT. If not claiming, carry amount from line 13 to line 15.

If claiming, complete and include the *Renaissance Zone Credit Schedule*, Form 4595.

- 14. **Renaissance Zone Credit.** Amount from Form 4595, line 25b. Carry amount to Form 4568, line 21.....
- 15. Tax After Renaissance Zone Credit. Subtract line 14 from line 13. If less than zero, enter zero

14.		00
15.		00

HISTORIC PRESERVATION CREDIT. If not claiming, carry amount from line 15 to line 18.

- 16. **Historic Preservation Credit** from Form 4584, line 28.....
- 17a. Recapture of Historic Preservation Tax Credit from Form 4584, line 2
- 17b. Historic Preservation Credit Net of Recapture. Subtract line 17a from line 16.
If less than zero, enter as a negative number. Carry to Form 4568, line 22..... 17b. 00
- 18. Tax After Historic Preservation Credit. Subtract line 16 from line 15 and add line 17a

16.		00
17a.		00
18.		00

LOW-GRADE HEMATITE CREDIT. If not claiming, carry amount from line 18 to line 23.

- 19. Current Year Credit. Multiply \$1.00 by number of long tons of qualified low-grade hematite used
- 20. Unused credit from previous period MBT return.....
- 21. Total Available Credit. Add lines 19 and 20
- 22. **Low-Grade Hematite Credit.** Enter the lesser of line 18 or line 21. Carry amount to Form 4568, line 23.....
- 23. Tax After Low-Grade Hematite Credit. Subtract line 22 from line 18.....
- 24. Credit Carryforward. If line 21 is greater than line 18, enter the difference..... 24. 00

19.		00
20.		00
21.		00
22.		00
23.		00

NEW MOTOR VEHICLE DEALER INVENTORY CREDIT. If not claiming, carry amount from line 23 to line 28.

- 25. Amount paid to acquire new motor vehicle inventory in the tax year
- 26. Multiply line 25 by 0.25% (0.0025)
- 27. **New Motor Vehicle Dealer Inventory Credit.** Enter lesser of line 23 or line 26. Carry amount to Form 4568, line 24.....
- 28. Tax After New Motor Vehicle Dealer Inventory Credit. Subtract line 27 from line 23. If less than zero, enter zero

25.		00
26.		00
27.		00
28.		00

FEIN or TR Number:

LARGE FOOD RETAILER CREDIT. If not claiming, carry amount from line 28 to line 32.

29.	Michigan compensation.....	29.	<input type="text"/>	00
30.	Multiply line 29 by 1% (0.01).....	30.	<input type="text"/>	00
31.	Large Food Retailer Credit. Enter lesser of line 28, line 30, or \$8,500,000. Carry amount to Form 4568, line 25.....	31.	<input type="text"/>	00
32.	Tax After Large Food Retailer Credit. Subtract line 31 from line 28. If less than zero, enter zero.....	32.	<input type="text"/>	00

MID-SIZE FOOD RETAILER CREDIT. If not claiming, carry amount from line 32 to line 36.

33.	Michigan compensation.....	33.	<input type="text"/>	00
34.	Multiply line 33 by 0.125% (0.00125).....	34.	<input type="text"/>	00
35.	Mid-size Food Retailer Credit. Enter lesser of line 32, line 34, or \$300,000. Carry amount to Form 4568, line 26.....	35.	<input type="text"/>	00
36.	Tax After Mid-size Food Retailer Credit. Subtract line 35 from line 32. If less than zero, enter zero.....	36.	<input type="text"/>	00

BOTTLE DEPOSIT ADMINISTRATION CREDIT. If not claiming, carry amount from line 36 to line 40.

37.	Expenses incurred in compliance with MCL 445.571 - 445.576.....	37.	<input type="text"/>	00
38.	Multiply line 37 by 30.5% (0.305).....	38.	<input type="text"/>	00
39.	Bottle Deposit Administration Credit. Enter the lesser of line 36 or 38. Carry amount to Form 4568, line 27.....	39.	<input type="text"/>	00
40.	Tax After Bottle Deposit Administration Credit. Subtract line 39 from line 36. If less than zero, enter zero.....	40.	<input type="text"/>	00

MEGA FEDERAL CONTRACT CREDIT. If not claiming, carry amount from line 40 to line 42.

41.	MEGA Federal Contract Credit from Form 4584, line 37. Carry amount to Form 4568, line 28.....	41.	<input type="text"/>	00
42.	Tax After MEGA Federal Contract Credit. Subtract line 41 from line 40. If less than zero, enter zero.....	42.	<input type="text"/>	00

INDIVIDUAL OR FAMILY DEVELOPMENT ACCOUNT CREDIT. If not claiming, carry amount from line 42 to line 48.

43.	Contribution amount from MSHDA certificate (attach).....	43.	<input type="text"/>	00
44.	Current Individual or Family Development Account (IFDA) Credit. Multiply amount on line 43 by 75% (0.75).....	44.	<input type="text"/>	00
45.	Unused credit from previous period MBT return.....	45.	<input type="text"/>	00
46.	Total Available Credit. Add lines 44 and 45.....	46.	<input type="text"/>	00
47.	IFDA Credit. Enter the lesser of line 42 or 46. Carry to Form 4568, line 29.....	47.	<input type="text"/>	00
48.	Tax After IFDA Credit. Subtract line 47 from line 42. If less than zero, enter zero.....	48.	<input type="text"/>	00
49.	Credit Carryforward. If line 46 is greater than line 42, enter the difference.....	49.	<input type="text"/>	00

BONUS DEPRECIATION CREDIT UNUSED CARRYFORWARD. If not claiming, carry amount from line 48 to line 52.

50.	Unused credit from previous MBT return.....	50.	<input type="text"/>	00
51.	Bonus Depreciation Credit. Enter the lesser of line 48 or line 50. Carry to Form 4568, line 30.....	51.	<input type="text"/>	00
52.	Tax After Bonus Depreciation Credit. Subtract line 51 from line 48. If less than zero, enter zero.....	52.	<input type="text"/>	00
53.	Credit Carryforward. If line 50 is greater than line 48, enter the difference.....	53.	<input type="text"/>	00

INTERNATIONAL AUTO SHOW CREDIT. If not claiming, carry amount from line 52 to line 55.

54.	International Auto Show Credit. Enter the lesser of line 52 or \$250,000. Carry to Form 4568, line 31.....	54.	<input type="text"/>	00
55.	Tax After International Auto Show Credit. Subtract line 54 from line 52.....	55.	<input type="text"/>	00

BROWNFIELD REDEVELOPMENT CREDIT. If not claiming, carry amount from line 55 to line 57.

56.	Brownfield Redevelopment Credit from Form 4584, line 55. Carry amount to Form 4568, line 32.....	56.	<input type="text"/>	00
57.	Tax After Brownfield Redevelopment Credit. Subtract line 56 from line 55. If less than zero, enter zero.....	57.	<input type="text"/>	00

PRIVATE EQUITY FUND CREDIT. If not claiming, carry amount from line 57 to line 62.

58.	Total activity of fund manager conducted in Michigan in the tax year.....	58.	<input type="text"/>	00
59.	Total activity of fund manager conducted everywhere in the tax year.....	59.	<input type="text"/>	00
60.	Credit percentage. Divide line 58 by line 59.....	60.	<input type="text"/>	%
61.	Private Equity Fund Credit. Multiply line 57 by line 60. Carry amount to Form 4568, line 33.....	61.	<input type="text"/>	00
62.	Tax After Private Equity Fund Credit. Subtract line 61 from line 57. If less than zero, enter zero.....	62.	<input type="text"/>	00

FILM JOB TRAINING CREDIT. If not claiming, carry amount from line 62 to line 67.

63.	Amount from <i>Qualified Job Training Expenditure Certificate</i> provided by Michigan Film Office (attach).....	63.	<input type="text"/>	00
64.	Unused credit from previous period MBT return.....	64.	<input type="text"/>	00
65.	Total Available Credit. Add lines 63 and 64.....	65.	<input type="text"/>	00
66.	Film Job Training Credit. Enter the lesser of line 62 or line 65. Carry amount to Form 4568, line 34.....	66.	<input type="text"/>	00
67.	Tax After Film Job Training Credit. Subtract line 66 from line 62. If less than zero, enter zero.....	67.	<input type="text"/>	00
68.	Credit Carryforward. If line 65 is greater than line 62, enter the difference.....	68.	<input type="text"/>	00

FEIN or TR Number:

FILM INFRASTRUCTURE CREDIT. If not claiming, carry amount from line 67 to line 73.

69. Amount from <i>Investment Expenditure Certificate</i> provided by MI Film Office (attach) or assigned credit amount .	69.		00
70. Unused credit from previous period MBT return.....	70.		00
71. Total Available Credit. Add lines 69 and 70	71.		00
72. Film Infrastructure Credit. Enter the lesser of line 67 or line 71. Carry amount to Form 4568, line 35.....	72.		00
73. Tax After Film Infrastructure Credit. Subtract line 72 from line 67. If less than zero, enter zero.....	73.		00
74. Credit Carryforward. If line 71 is greater than line 67, enter the difference.....	74.	<input style="width: 95%; height: 15px;" type="text" value="00"/>	00

MEGA PLUG-IN TRACTION BATTERY MANUFACTURING CREDIT. If not claiming, carry amount from line 73 to line 76.

75. MEGA Plug-In Traction Battery Manufacturing Credit from Form 4584, line 64. Carry amount to Form 4568, line 36.....	75.		00
76. Tax After MEGA Plug-In Traction Battery Manufacturing Credit. Subtract line 75 from line 73. If less than zero, enter zero	76.		00

ANCHOR COMPANY PAYROLL CREDIT. If not claiming, carry amount from line 76 to line 78.

77. Anchor Company Payroll Credit from Form 4584, line 72. Carry amount to Form 4568, line 37	77.		00
78. Tax After Anchor Company Payroll Credit. Subtract line 77 from line 76. If less than zero, enter zero.....	78.		00

ANCHOR COMPANY TAXABLE VALUE CREDIT. If not claiming, carry amount from line 78 to line 80.

79. Anchor Company Taxable Value Credit from Form 4584, line 80. Carry amount to Form 4568, line 38.....	79.		00
80. Tax After Anchor Company Taxable Value Credit. Subtract line 79 from line 78. If less than zero, enter zero.....	80.		00

MEGA POLY-SILICON ENERGY COST CREDIT AND MISCELLANEOUS MEGA BATTERY CREDITS.

If not claiming, carry amount from line 80 to line 82.

81. MEGA Poly-Silicon Energy Cost Credit and Miscellaneous MEGA Battery Credits from Form 4584, line 88. Carry amount to Form 4568, line 39.....	81.		00
82. Tax After Miscellaneous MEGA Battery Credit. Subtract line 81 from line 80. If less than zero, enter zero.....	82.		00

Instructions for Form 4573

Michigan Business Tax (MBT) Miscellaneous Nonrefundable Credits

Purpose

To allow standard taxpayers to claim certain miscellaneous nonrefundable credits. Generally, credits and any carryforwards allowed are calculated here and then carried to the *MBT Nonrefundable Credits Summary* (Form 4568). Review the descriptions carefully before claiming a credit as there are strict eligibility requirements. Follow the instructions on the form for each credit.

NOTE: This form may also be used by financial institutions to claim a limited number of credits:

- Renaissance Zone Credit
- Historic Preservation Credit
- Individual or Family Development Account Credit
- Brownfield Redevelopment Credit
- Assigned Film Infrastructure Credit.

Insurance companies use the *Miscellaneous Credits for Insurance Companies* (Form 4596) to claim credits for which they are eligible.

NOTE: Beginning January 1, 2012, only those taxpayers with a certificated credit, which is awarded but not yet fully claimed or utilized, may elect to be MBT taxpayers.

Fiscal Year Filers: All credits must be calculated using actual numbers from the period included on this return. For more information, see “Supplemental Instructions for Standard Fiscal MBT Filers” in the *MBT Forms and Instructions for Standard Taxpayers* (Form 4600).

Special Instructions for Unitary Business Groups

Credits are earned and calculated on either an entity-specific or group basis, as determined by the relevant statutory provisions for the respective credits. Intercompany transactions are not eliminated for the calculation of most credits. Credits earned or calculated on either an entity-specific or group basis by Unitary Business Group (UBG) members are generally applied against the tax liability of the UBG, unless otherwise specified by statute or these instructions.

Entity-specific provisions are applied on a member-by-member basis and are addressed in the “Line-by-Line Instructions.” In none of these cases does a taxpayer that is a UBG take the organization type of its parent, Designated Member (DM), or any other member of the UBG. A UBG taxpayer will not be attributed an organization type based on the composition of its members.

If any member of the UBG is eligible for an entity-specific credit, a statement must be attached to the form identifying the eligible member and any information requested for the credit. If more than one member is eligible, requested information should be provided in the statement on a per member basis. The total amount from all eligible members should be entered on each corresponding line on the form.

To the extent that a qualified taxpayer earning the Brownfield Redevelopment Credit or Historic Preservation Credit is included within a UBG taxpayer for relevant tax years, the qualified taxpayer’s unused pre-2008 Brownfield Redevelopment Credit and/or Historic Preservation Credit (that is, such credits earned under the Single Business Tax (SBT)) may be applied against the tax liability imposed on the entire UBG taxpayer (of which the qualified taxpayer is a member) for the tax years the carryforward would have been available under SBT. These carryforwards are claimed on the *MBT Single Business Tax Credit Carryforwards* (Form 4569).

Find additional information on calculating credit carryforwards in the “Supplemental Instructions for Standard Members in UBGs” section in the *MBT Forms and Instructions for Standard Taxpayers* (Form 4600).

Line-by-Line Instructions

Lines not listed are explained on the form.

Name and Account Number: Enter name and account number as reported on page 1 of the applicable MBT annual return (either the *MBT Annual Return* (Form 4567) for standard taxpayers or the *MBT Annual Return for Financial Institutions* (Form 4590)).

UBGs: Complete one form for the group. Enter the DM’s name and account number.

UBG NOTE: If the eligible taxpayer is a member of a UBG, a pro forma calculation must be performed to determine the tax liability of the eligible taxpayer prior to this credit. Where a pro forma calculation is required, the underlying objective is to determine what the tax liability of the UBG member generating the credit would have been if that member was not included in the UBG. Therefore, the UBG member generating the credit must calculate its pro forma tax liability as if it was a singular, stand alone taxpayer in all aspects. This supporting calculation should be provided in a statement attached to this form. However, this calculation should never be transferred to a Form 4567 or displayed as such.

PART 1

If not taking any credits in Part 1, skip to Part 2.

Lines 1-3: For tax years ending after December 31, 2016, the NASCAR Speedway Credit is no longer available.

Lines 4-6: For tax years ending after December 31, 2012, the NASCAR Stadium Credit is no longer available.

Start-Up Business Credit

The Start-Up Business Credit provides a credit for small, relatively new taxpayers with substantial research and development activity. For a qualified taxpayer, the credit is equal to the taxpayer’s MBT liability for the year. To qualify, a taxpayer must apply to and obtain annual certification from the Michigan Economic Development Corporation (MEDC), and attach that certificate to its MBT return. For an application form

or additional information, call the MEDC at (517) 373-9808.

For the tax year for which a Start-Up Business Credit is claimed, compensation, director fees, or distributive shares paid by the taxpayer to any one of the following cannot exceed \$135,000:

- A shareholder of a C Corporation or S Corporation. *Shareholder* means a person who owns outstanding stock in a business or is a member of a business entity (for example, an LLC) that files as a corporation for federal income tax purposes. All members of a shareholder's family, as defined by Internal Revenue Code (IRC) § 318(a)(1), that receive compensation from the business are considered shareholders.
- An officer of a C Corporation.
- A partner of a Partnership or Limited Liability Partnership.
- A member of a Limited Liability Company (LLC).
- An Individual who is an owner.

Officer means an officer of a corporation other than a subchapter S corporation, including all of the following:

- (a) The chairperson of the board, (b) The president, vice president, secretary, or treasurer of the corporation or board, (c) Persons performing similar duties and responsibilities to persons described in subdivisions (a) and (b) that include, at a minimum, major decision making.

Corporations (and LLCs federally taxed as such) must report compensation and director fees of shareholders and (if a C Corporation) officers on the *MBT Schedule of Shareholders and Officers* (Form 4577) and include it as part of the return. Partnerships (and LLCs federally taxed as such) must report distributive shares to partners on the *MBT Schedule of Partners* (Form 4578) and include it as part of the return.

A taxpayer that meets the criteria and that is a qualified start-up business that does not have business income for two consecutive tax years may claim a credit against the tax imposed for the second of those two consecutive tax years and each immediately following consecutive tax year in which the taxpayer does not have business income. For the purposes of this credit, business income excludes funds received from small business innovation research grants and small business technology transfer programs established under the Small Business Innovation Development Act of 1982, Public Law 97-219, reauthorized under the Small Business Research and Development Enhancement Act, Public Law 102-564, and subsequently reauthorized under the Small Business Reauthorization Act of 2000, Public Law 106-554.

A Start-Up Business Credit cannot be claimed for more than a total of five tax years including the number of years the taxpayer was eligible to claim the credit under SBT.

UBGs: If the eligible taxpayer is a member of a UBG, this credit is based on the eligible member's business activity only. This credit amount is limited to the pro forma tax liability calculated for the eligible taxpayer for that tax year. The resulting credit amount is then applied towards the UBG's tax liability for that tax year.

Line 7: Enter the tax liability from Form 4568, line 12, or the eligible member's pro forma liability if part of a UBG. Attach supporting MEDC Certification Letter.

UBGs: See guidance on pro forma calculations in the UBG note earlier in these instructions.

Line 8: Enter any recapture of Start-Up Business Credit.

NOTE: A company claiming the Start-Up Business Credit under either MBT or SBT must pay back a portion of the credit if they have no business activity in Michigan and have business activity outside of Michigan within three years after the last tax year in which the credit was taken. The following amounts must be added to the tax liability:

- 100 percent of the total of all credits claimed if the move is within the first tax year after the last tax year for which a credit is claimed.
- 67 percent of the total of all credits claimed if the move is within the second tax year after the last tax year for which a credit is claimed.
- 33 percent of the total of all credits claimed if the move is within the third tax year after the last tax year for which a credit is claimed.

PART 2

Next Energy Business Activity Credit

The Next Energy Business Activity Credit allows an eligible taxpayer to claim a credit for certain qualified business activity if certified under the Michigan Next Energy Authority Act.

Qualified business activity is research, development, or manufacturing of an alternative energy marine propulsion system, an alternative energy system, an alternative energy vehicle, alternative energy technology, or renewable fuel (as defined in the Michigan Next Energy Authority Act).

Line 11: Attach the certificate issued by MEDC for this credit to the return to substantiate a claim. (If the certificate is not attached, the credit will be disallowed.)

UBGs: If the eligible taxpayer is a member of a UBG, the eligible member's calculated pro forma liability (not the group's liability) must be used to determine the credit amount certified by the MEDC. This supporting pro forma calculation should be provided in a statement attached to this form. See guidance on pro forma calculations in the UBG note earlier in these instructions.

For more information, call the MEDC at (517) 373-9808 or visit the MEDC Web site at <http://www.michiganadvantage.org/>.

Renaissance Zone Credit

The Renaissance Zone Credit encourages businesses and individuals to help revitalize a designated Zone.

Line 14: Complete and include the *MBT Renaissance Zone Credit Schedule* (Form 4595) to claim this credit.

NOTE the changed instructions for certain taxpayers for line 24 of Form 4595.

If located in more than one zone, complete and include a separate Form 4595 for each zone. Add line 25b from each Form 4595 and enter the sum on line 14 of Form 4573.

NOTE: Beginning January 1, 2012, certain renaissance zone credits are available as a certificated credit. A certificated renaissance zone credit must be claimed beginning with the

taxpayer's first tax year ending after December 31, 2011, in order for the taxpayer to remain taxable under the MBT and claim the credit.

For more information see Form 4595.

For more information on Renaissance Zones, contact your local tax assessor. For information on the MBT credit, contact the Michigan Department of Treasury, Customer Contact Division, MBT Unit, at 517-636-6925.

Historic Preservation Credit

The Historic Preservation Credit provides tax incentives for homeowners, commercial property owners, and businesses to rehabilitate historic resources located in Michigan. Rehabilitation projects must be certified by the State Historic Preservation Office (SHPO).

NOTE: Beginning January 1, 2012, the historic preservation credit is available to the extent that a taxpayer had a Part 2 approval, approved rehabilitation plan, approved high community impact rehabilitation plan or preapproval letter by December 31, 2011, but has not fully claimed the credit before January 1, 2012. The credit may be claimed as either a refundable accelerated credit (on Form 4889) or a non-refundable credit. Non-refundable credits and non-refundable carryforwards of the credit are claimed here. A taxpayer may elect to claim a certificated historic preservation credit in the year in which a credit is available and will be taxable under the MBT until the qualifying credit and any carryforward of the credit are extinguished. The credit must first be claimed in the year that the certificate of completed rehabilitation of the historic resource was issued.

Line 16: Complete the *MBT Election of Refund or Carryforward of Credits* (Form 4584) to claim this credit and elect a carryforward of any excess credit.

Line 17a: Recapture from Form 4584, Line 2. If the resource is sold or the certification of completed rehabilitation or preapproval letter is revoked less than five years after the historic resource is placed in service, a percentage of the credit may be subject to **recapture**.

100 percent	If less than 1 year
80 percent	If at least 1 year, but less than 2 years
60 percent	If at least 2 years, but less than 3 years
40 percent	If at least 3 years, but less than 4 years
20 percent	If at least 4 years, but less than 5 years

Questions regarding federal and State certification may be directed to SHPO at (517) 373-1630. For additional information, visit the SHPO Web site at www.michigan.gov/shpo. Information about Federal Historic Preservation Tax Incentives is available at www.nps.gov/hps/tps/tax/index.htm.

Low-Grade Hematite Credit

The Low-Grade Hematite Credit provides a credit equal to one dollar per long ton of qualified low-grade hematite pellets consumed in an industrial or manufacturing process, a process in which low-grade hematite is used as a raw material in the

production of pig iron or steel, that is the business activity of the taxpayer. If the credit exceeds the tax liability, the excess may be carried forward for five years.

UBGs: The credit is calculated from the aggregate tonnage of qualified low-grade hematite pellets consumed by all UBG members in an industrial or manufacturing process.

Line 19: *Low-grade hematite* means any hematitic iron formation that is not of sufficient quality in its original mineral state to be mined and shipped for the production of pig iron or steel without first being drilled, blasted, crushed, and ground very fine to liberate the iron minerals and for which additional beneficiation and agglomeration are required to produce a product of sufficient quality to be used in the production of pig iron or steel. Qualified low-grade hematite must be produced from low-grade hematitic iron ore mined in the United States.

Line 20: UBGs: Enter the carryforward amount from Form 4580, Part 2B, line 51, column C.

Line 24: If line 21 is greater than line 18, enter the difference. This is a credit carryforward to be used on the taxpayer's immediately following MBT return.

New Motor Vehicle Dealer Inventory Credit

A taxpayer that is a new motor vehicle dealer licensed under the Michigan vehicle code, Michigan Compiled Law (MCL) 257.1 to 257.923, may claim a credit against the tax equal to 0.25 percent of the amount paid by the taxpayer to acquire new motor vehicle inventory in Michigan during the tax year.

Line 25: *New motor vehicle inventory* means new motor vehicles or new motor vehicle parts.

Large Food Retailer Credit

An eligible taxpayer may claim a Large Food Retailer Credit equal to 1 percent of the taxpayer's compensation in Michigan, not to exceed \$8,500,000. A taxpayer that claims a Large Food Retailer Credit cannot also claim a Mid-Size Food Retailer Credit.

The taxpayer must meet all of the following criteria:

- Operates at least 17,000,000 square feet of enclosed retail space and 2,000,000 square feet of enclosed warehouse space in Michigan.
- Sells all of the following at retail:
 - Fresh, frozen, or processed food; food products; or consumable necessities.
 - Prescriptions and over-the-counter medications.
 - Health and beauty care products.
 - Cosmetics.
 - Pet products.
 - Carbonated beverages.
 - Beer, wine, or liquor.
- Sales of the items listed above represent more than 35 percent of the taxpayer's total sales in the tax year.
- Maintains its headquarters operation in Michigan.

Line 29: Enter compensation attributable to Michigan.

UBGs: If the eligible taxpayer is a UBG, enter the compensation attributable to Michigan for the entire UBG.

Mid-Size Food Retailer Credit

An eligible taxpayer may claim a Mid-Size Food Retailer Credit equal to 0.125 percent of the taxpayer's compensation in Michigan, not to exceed \$300,000.

The taxpayer must meet all of the following criteria:

- Operates at least 2,500,000 square feet of enclosed retail space and 1,400,000 square feet of enclosed warehouse, headquarters, and transportation services in Michigan.
- Sells all of the following at retail:
 - Fresh, frozen, or processed food; food products; or consumable necessities.
 - Prescriptions and over-the-counter medications.
 - Health and beauty care products.
 - Cosmetics.
 - Pet products.
 - Carbonated beverages.
 - Beer, wine, or liquor.
- Sales of the items listed above represent more than 35 percent of the taxpayer's total sales in the tax year.
- Maintains its headquarters operation in Michigan.

Line 33: Enter compensation attributable to Michigan.

UBGs: If the eligible taxpayer is a UBG, enter the compensation attributable to Michigan for the entire UBG.

Bottle Deposit Administration Credit

An eligible taxpayer may claim a Bottle Deposit Administration Credit equal to 30.5 percent of the taxpayer's expenses incurred during the tax year to comply with MCL 445.571 to 445.576. *Eligible taxpayer* means a distributor or manufacturer who originates a deposit on a beverage container in accordance with MCL 445.571 to 445.576. *Beverage container* and *distributor* mean those terms as defined under MCL 445.571 to 445.576.

UBGs: If the eligible taxpayer is a member of a UBG, enter expenses incurred only by that eligible member. If multiple members of a UBG are eligible taxpayers, combine the expenses of those eligible members.

MEGA Federal Contract Credit

This credit is available for a qualified taxpayer or collective group of taxpayers that have been awarded a federal procurement contract from the U.S. Department of Defense, Department of Energy, or Department of Homeland Security resulting in a minimum of 25 new full-time jobs.

NOTE: Beginning January 1, 2012, this credit is available as a certificated credit to the extent that the taxpayer has entered into an agreement with MEGA by December 31, 2011, but the credit has not been fully claimed or paid prior to January 1, 2012. This credit must be claimed beginning with the taxpayer's first tax year ending after December 31, 2011, in

order for the taxpayer to remain taxable under the MBT and claim the credit.

Line 41: Complete Form 4584 to claim this credit and elect a refund or carryforward of any excess credit.

For more information, contact MEDC at 517-373-9808 or visit the MEDC Web site at michiganadvantage.org/MIAdvantage/Taxes-and-Incentives.

Individual or Family Development Account Credit

A taxpayer or qualified financial institution may claim a credit for 75 percent of certified contributions made to a reserve fund of a fiduciary organization in accordance with the Individual or Family Development Account Program Act, MCL 206.701 to 206.711. A *fiduciary organization* is a 501(c)(3) exempt, charitable organization approved by the Michigan State Housing Development Authority (MSHDA) to manage a reserve fund. A *reserve fund* is a fund established and managed by a fiduciary organization housed at a financial institution.

This credit is nonrefundable but may be carried forward up to ten years. The credit may not exceed \$1 million annually for all taxpayers. The determination of whether the annual limit is reached will be made by MSHDA, which must certify contributions eligible for a credit, in accordance with the Individual or Family Development Account Program Act.

Attach the certificate issued by MSHDA for this credit to the return to substantiate a claim. (If the certificate is not attached, the credit will be disallowed.)

NOTE: For purposes of this credit, *qualified financial institution* is defined by reference to the definition of *financial institution* in the Individual or Family Development Account Program Act, rather than the MBT Act. *Financial institution* for this credit is defined as "a state chartered bank, state chartered savings bank, savings and loan association, credit union, or trust company; or a national banking association or federal savings and loan association or credit union."

Line 45: UBGs: Standard taxpayers, enter the unused credit amount from Form 4580, Part 2B, line 52, column C. Financial institutions, enter the combined total of carryforward amounts reported on the *UBG Combined Filing Schedule for Financial Institutions* (Form 4752), line 30, by all members of the group.

Bonus Depreciation Credit

For tax years starting after 2010, only unused carryforward of the Bonus Depreciation Credit can be used.

Line 50: Enter the unused credit amount from previous year.

UBGs: Enter the unused credit amount from Form 4580, Part 2B, line 53, column C.

International Auto Show Credit

A taxpayer who owns, operates, or controls an international auto show in Michigan that meets certain criteria may claim a credit. An international auto show must meet all of the following criteria:

- Promote, advertise, or display the design or concept of

products that are designed, manufactured, or produced, in whole or in part, in this State and are available for sale to the general public.

- Use more than 100,000 square feet of floor space.
- Be open to the general public for at least seven consecutive days in a calendar year.
- Have attendance exceeding 500,000.
- Have more than 3,000 credentialed journalists, including international journalists, who attend the auto show.

A taxpayer claiming the International Auto Show Credit must maintain in its records proof that the international auto show satisfies all of the above criteria.

Line 54: The credit is equal to the qualified taxpayer's entire MBT liability or \$250,000, whichever is less.

UBGs: If the eligible taxpayer is a member of a UBG, a pro forma tax calculation must be attached showing the individual member's tax liability. This credit is equal to the lesser of the member's entire MBT liability or \$250,000, whichever is less. See guidance on pro forma calculations in the UBG note earlier in these instructions.

Brownfield Redevelopment Credit

The Brownfield Redevelopment Credit encourages businesses to make investment on eligible Michigan property that was used or is currently used for commercial, industrial, public, or residential purposes and is either a facility (environmentally contaminated property), functionally obsolete, or blighted.

NOTE: Beginning January 1, 2012, the Brownfield redevelopment credit may be claimed as a certificated credit if a taxpayer has a preapproval letter by December 31, 2011, but has not fully claimed the credit by January 1, 2012. The credit may be claimed as either a refundable accelerated credit (on Form 4889) or a non-refundable credit. Non-refundable credits and non-refundable carryforwards of the credit are claimed here. The credit must first be claimed in the year in which the certificate of completion is issued.

A taxpayer claiming a nonrefundable certificated brownfield credit may make the election in the year in which a credit is available and will remain taxable under the MBT until the qualifying credit and any carryforward of the credit are extinguished.

Line 56: Complete Form 4584 to claim this credit and elect a carryforward of any excess credit.

The administration of the Brownfield Redevelopment Credit program is assigned to MEGA. For more information on the approval process, contact the MEDC at 517-373-9808.

Private Equity Fund Credit

An eligible taxpayer may claim a Private Equity Fund Credit equal to the eligible taxpayer's tax liability attributable to the activities as an eligible taxpayer for the tax year after claiming any other credits allowed under the MBT Act multiplied by a fraction, the numerator of which is the total activity of the private equity fund manager conducted in Michigan during the tax year and the denominator of which is the total activity of the private equity fund manager conducted everywhere during

the tax year.

Eligible taxpayer means a taxpayer that is a private equity fund which serves as a conduit for the investment of private securities not listed on a public exchange by accredited investors or qualified purchasers at any time during which the investment is acquired or subsequently used to claim the credit under this section.

Accredited investor means that term as defined under Section 2 of the Securities Act of 1933, 15 USC 77b.

Qualified purchaser means that term as defined under Section 2 of the Investment Company Act of 1940, 15 United States Code (USC) 80a-2.

Line 58: *Private equity fund manager* means the person or persons responsible for the management of the investments of the eligible taxpayer.

For purposes of this credit, the location of the activity of the private equity fund manager is based on the location of the office from which the fund manager conducts management activity for the eligible taxpayer.

UBGs: If the eligible taxpayer is a member of a UBG, enter only the activity of the eligible fund manager conducted in Michigan.

Line 59: If the eligible taxpayer is a member of a UBG, enter only the activity of the eligible fund manager conducted everywhere.

Line 61: If the taxpayer engages in both private equity fund activities as well as other activities, the amount on line 70 cannot be used. Instead, the taxpayer must do a pro forma calculation of the tax before this credit based solely on the private equity fund activities.

UBGs: To the extent that a private equity fund is part of a UBG, the Private Equity Fund Credit is equal to the tax liability of the eligible member prior to this credit, multiplied by a fraction which is the Michigan activities of the manager over the activities of the manager everywhere. A pro forma calculation must be performed to determine the tax liability of the eligible UBG member prior to this credit. See guidance on pro forma calculations in the UBG note earlier in these instructions.

Film Job Training Credit

An eligible production company may claim a credit of up to 50 percent of qualified job training expenditures in film and digital media for qualified personnel, provided the taxpayer enters into an agreement with the Michigan Film Office, concurred in by the State Treasurer. If the credit exceeds the taxpayer's tax liability for the tax year, the excess may be carried forward to offset tax liability in subsequent years for a maximum of ten years.

Line 63: Upon verification that the taxpayer has complied with the agreement terms and the qualified job training expenditures and eligibility are met, the Film Office will issue a *Qualified Job Training Expenditure Certificate* verifying the amount of the credit to be claimed. The certificate must be attached to the return to receive the credit.

NOTE: To qualify for the credit, a taxpayer must not be delinquent in a tax or other obligation owed to Michigan nor be owned or under common control of an entity that is delinquent. A credit cannot be claimed for any direct expenditure for which a Film Production Credit was claimed for either an MBT or withholding tax liability.

Line 64: UBGs: Enter the unused credit amount from Form 4580, Part 2B, line 55, column C.

Line 68: If line 65 is greater than line 62, enter the difference. This is a credit carryforward to be used on the taxpayer's next MBT return.

For more information, contact the Michigan Film Office at 1-800-477-3456 or visit the Web site at www.michiganfilmoffice.org.

Film Infrastructure Credit

An eligible taxpayer may claim a credit for investment in a qualified film and digital media infrastructure project of up to 25 percent of the base investment expenditures for the project, provided the taxpayer enters into an agreement with the Michigan Film Office, concurred in by the State Treasurer. The credit is reduced by the amount of any Brownfield Redevelopment Credit claimed under Section 437 of the MBT Act for the same base investment. If the credit exceeds the taxpayer's tax liability for the tax year, the excess may be carried forward to offset tax liability in subsequent years for a maximum of ten years.

Upon verification that the taxpayer has complied with the agreement terms and investment expenditures and eligibility are met, the Film Office will issue an *Investment Expenditure Certificate* stating the amount of the credit. The certificate must be attached to the return.

The credit may be assigned in the tax year in which the *Investment Expenditure Certificate* is received but any such assignment is irrevocable. The *MBT Film Credit Assignment* (Form 4589) must be attached to the return on which the credit is claimed.

An assigned credit amount must be claimed against the assignee's MBT liability during the assignee's tax year in which the credit was assigned.

NOTE: Beginning January 1, 2012, this credit is available as a certificated credit to the extent that the taxpayer has entered into an agreement with the Michigan Film Office with the concurrence of the State Treasurer by December 31, 2011, but the credit has not been fully claimed or paid prior to January 1, 2012. This credit must be claimed beginning with the taxpayer's first tax year ending after December 31, 2011, in order for the taxpayer to remain taxable under the MBT and claim the credit.

NOTE: To qualify for the credit, a taxpayer must not be delinquent in a tax or other obligation owed to Michigan nor be owned or under common control of an entity that is delinquent. A credit cannot be claimed for any direct expenditure for which a Film Production Credit was claimed against either an MBT or withholding tax liability.

If the taxpayer originally awarded this credit sells or otherwise disposes of any tangible assets, the cost of which were included

in the base investment, that taxpayer must recapture part of the credit in the year of disposition. Credit recapture is reported on Form 4587.

Line 70: UBGs: Standard taxpayers, enter the unused credit amount from Form 4580, Part 2B, line 56, column C. Financial institutions, enter the combined total of carryforward amounts reported on Form 4752, line 32, by all members of the group.

Line 74: If line 71 is greater than line 67, enter the difference. This is a credit carryforward to be used on the taxpayer's next MBT return.

For more information, contact the Michigan Film Office at 1-800-477-3456 or visit the Web site at www.michiganfilmoffice.org.

MEGA Plug-In Traction Battery Manufacturing Credit

The MEGA Plug-In Traction Battery Manufacturing Credit encourages investment in the development, manufacture, commercialization, and affordability of advanced automotive high-power energy batteries. The credit is available only to a taxpayer that has entered into an agreement with MEGA that provides that the taxpayer will manufacture plug-in traction battery packs in Michigan. The taxpayer must attach the MEGA certificate to the MBT annual return on which the credit is claimed.

For tax years ending after December 31, 2014, this credit is no longer available. However, unused credit from the immediately preceding tax year may still be claimed, if available.

NOTE: Beginning January 1, 2012, this credit is available as a certificated credit to the extent that the taxpayer has entered into an agreement with MEGA by December 31, 2011, but the credit has not been fully claimed or paid prior to January 1, 2012. This credit must be claimed beginning with the taxpayer's first tax year ending after December 31, 2011, in order for the taxpayer to remain taxable under the MBT and claim the credit.

For more information, contact MEDC at (517) 373-9808 or visit the MEDC Web site at <http://www.michiganadvantage.org/>.

Line 75: For tax years ending after December 31, 2014, the MEGA Plug-In Traction Battery Manufacturing Credit is no longer available. Complete Form 4584 to claim any unused credit from the immediately preceding tax year, if available.

Anchor Company Payroll Credit

This credit is available for a qualified taxpayer that was designated by MEGA as an anchor company within the last five years and that has influenced a new qualified supplier or customer to open, locate, or expand in Michigan.

NOTE: Beginning January 1, 2012, this credit is available as a certificated credit to the extent that the taxpayer has entered into an agreement with MEGA by December 31, 2011, but the credit has not been fully claimed or paid prior to January 1, 2012. This credit must be claimed beginning with the taxpayer's first tax year ending after December 31, 2011, in order for the taxpayer to remain taxable under the MBT and claim the credit.

Line 77: Complete Form 4584 to claim this credit and elect a refund or carryforward of any excess credit.

For more information, contact the MEDC at 517-373-9808 or visit the MEDC Web site at <http://www.michiganadvantage.org/>.

Anchor Company Taxable Value Credit

This credit is available for a qualified taxpayer that was designated by MEGA as an anchor company within the last five years and that has influenced a new qualified supplier or customer to open, locate, or expand in Michigan.

NOTE: Beginning January 1, 2012, this credit is available as a certificated credit to the extent that the taxpayer has entered into an agreement with MEGA by December 31, 2011, but the credit has not been fully claimed or paid prior to January 1, 2012. This credit must be claimed beginning with the taxpayer's first tax year ending after December 31, 2011, in order for the taxpayer to remain taxable under the MBT and claim the credit.

Line 79: Complete Form 4584 to claim this credit and elect a refund or carryforward of any excess credit.

For more information, contact the MEDC at (517) 373-9808 or visit the MEDC Web site at <http://www.michiganadvantage.org/>.

MEGA Poly-Silicon Energy Cost Credit and Miscellaneous MEGA Battery Credits

NOTE: Beginning January 1, 2012, these credits are available as certificated credits to the extent that the taxpayer has entered into an agreement with MEGA by December 31, 2011, but the credit has not been fully claimed or paid prior to January 1, 2012. These credits must be claimed beginning with the taxpayer's first tax year ending after December 31, 2011, in order for the taxpayer to remain taxable under the MBT and claim the credit.

Line 81: Complete Form 4584 to claim these credits and elect a refund or carryforward of any excess credit, and to apply unused carryforwards of these credits from the immediately preceding tax year.

The miscellaneous MEGA battery credits on this line include the MEGA Poly-Silicon Energy Cost Credit, MEGA Plug-in Traction Battery Integration Credit, MEGA Battery Manufacturing Facility Credit, MEGA Large Scale Battery Credit, and/or MEGA Advanced Lithium Ion Battery Credit.

The following credits are no longer available for tax years ending after the associated date. Complete Form 4584 to claim any unused credit from the immediately preceding tax year, if available.

- MEGA Advanced Battery Engineering Credit — December 31, 2014.
- MEGA Advanced Lithium Ion Battery Credit — December 31, 2016.
- MEGA Large Scale Battery Credit --December 31, 2017.

Include completed Form 4573 as part of the tax return filing.