Attachment 06

2025 MICHIGAN Business Tax Common Credits for Small Businesses

Issued under authority of Public Act 36 of 2007.

Taxpayer Name	Federal Employer Identification Number (FEIN) or TR Number

The Small Business Alternative Credit is NOT available if any of the following conditions exist:

- Gross receipts exceed $20,000,000.
- Adjusted business income after loss adjustment exceeds $1,899,300.
- Any individual, shareholder or officer has allocated income after loss adjustment of over $180,000, or any partner has distributive share of income after loss adjustment of over $180,000, as determined on Form 4577 or 4578.
- Compensation and director fees of a shareholder or officer of a C Corporation exceed $180,000.

The Small Business Alternative Credit must be reduced if any of the following conditions exist:

- Any individual, shareholder or officer has allocated income after loss adjustment of over $160,000 but not over $180,000, or any partner has distributive share of income after loss adjustment of over $160,000 but not over $180,000, as determined on Forms 4577 or 4578.
- Gross receipts exceed $19,000,000 but are not more than $20,000,000.

Taxpayers claiming the small business alternative credit, other than individuals and fiduciaries filing as individuals MUST complete and include Form 4577 or 4578, as applicable.

1.	Tax liability prior to this credit from Form 4568, line 6	1.	00

PART 1: SMALL BUSINESS ALTERNATIVE CREDIT

If not claiming a Small Business Alternative Credit, skip to Part 2.

Adjusted Business Income

2.	Business Income from Form 4567, line 28 (see instructions)	2.	00
3.	Gross capital loss utilized on federal return (see instructions)	3.	00
4.	Federal net operating loss carryover or carryback from Form 4567, line 32	4.	00
5.	Add lines 2, 3, and 4	5.	00
6.	Compensation and director fees of active shareholders from Form 4577, line 3	6.	00
7.	Compensation and director fees of officers from Form 4577, line 4	7.	00
8.	Adjusted Business Income. Add lines 5, 6 and 7	8.	00

Small Business Alternative Credit Calculation

9.	Small Business Alternative Tax. Multiply line 8 by 1.8% (0.018). If less than zero, enter zero	9.	00
10.	**Small Business Alternative Credit**. Subtract line 9 from line 1. If less than zero, enter zero	10.	00
11.	Allocated income/distributive share of income used for reduction (see instructions)	11.	00
12.	Reduction percentage from Reduced Credit Table on page 2 (based on amount from line 11)	12.	%
13.	**Reduced Credit.** Multiply line 12 by line 10. If gross receipts from Form 4567, line 12, are less than or equal to $19,000,000, carry amount to Form 4568, line 7 (see instructions)	13.	00
14.	Tax After Small Business Alternative Credit. Subtract line 13 from line 1	14.	00

Reduction Based on Gross Receipts

Complete this section if gross receipts are more than $19,000,000 but not more than $20,000,000.

15.	Gross receipts from Form 4567, line 12 (see instructions)	15.	00
16.	Excess gross receipts. Subtract $19,000,000 from line 15	16.	00
17.	Excess percentage. Divide line 16 by $1,000,000, and enter as a percentage	17.	%
18.	Allowable percentage. Subtract line 17 from 100%	18.	%
19.	**Small Business Alternative Credit.** Multiply percentage on line 18 by the credit on line 13. Carry amount to Form 4568, line 7	19.	00
20.	Tax After Small Business Alternative Credit. Subtract line 19 from line 1	20.	00

Continue on Page 2

FEIN or TR Number

PART 2: GROSS RECEIPTS FILING THRESHOLD CREDIT

Complete this section if apportioned gross receipts are equal to or greater than $350,000 but less than $700,000. See instructions for tax years less than 12 months.

21.	Tax before credit from line 1, 14 or 20, whichever applies	21.	00
22.	Threshold Ceiling	22.	700,000 00
23.	Gross Receipts from Form 4567, line 12 (see instructions)	23.	00
24.	Apportioned Gross Receipts. Multiply line 23 by percentage from Form 4567, line 11c	24.	00
25.	Excess Gross Receipts. Subtract line 24 from line 22. If negative, enter zero on line 27 (no credit allowed)	25.	00
26.	Gross Receipts Filing Threshold Credit Percentage. Divide line 25 by $350,000, and enter as a percentage	26.	%
27.	**Gross Receipts Filing Threshold Credit**. Multiply line 26 by line 21. Carry amount to Form 4568, line 8	27.	00
28.	Tax After Gross Receipts Filing Threshold Credit. Subtract line 27 from line 21. (This line must be equal to Form 4568, line 9.)	28.	00

REDUCED CREDIT TABLE

If allocated* income is:	The reduced credit is:
$0 - $160,000	100% of the Small Business Alternative Credit
$160,001 - $164,999	80% of the Small Business Alternative Credit
$165,000 - $169,999	60% of the Small Business Alternative Credit
$170,000 - $174,999	40% of the Small Business Alternative Credit
$175,000 - $180,000	20% of the Small Business Alternative Credit

* See instructions for tax years less than 12 months.