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Total Taxation:

An Examination of the Total Tax Burden of Individuals in the West Michigan Area

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Total Taxation:

An Examination of the Total Tax Burden of Individuals in the West Michigan Area

Have you ever thought about how much you might pay in tax each year, across all tax types? If you have, a chill probably went down your spine before you gave up thinking about it. When the subject is brought up, most people think primarily of income. The truth of the matter is that income tax is far from the only tax we pay. Throughout the year, Americans may end up also paying sales tax, property tax, fuel taxes, various sin taxes, and estate tax, just to name a few. With so many ways to be taxed, some of which we encounter almost daily, it makes you wonder how much we pay in all taxes throughout the year. This paper seeks to help citizens of West Michigan understand what taxes might affect them and how taxation changes across varying levels of income.

The American Community Survey, released by the Census Bureau, provides information about Americans' spending habits and how they change based upon geographic location and income level. This information is used to estimate the tax-related behavior of four hypothetical taxpayers at varying levels of income. From there, the taxpayers' total tax burdens can be calculated and we can see what their effective tax rates really are, for the marginal tax rates we see on their income tax returns do not come close to telling the whole story. Through this process, the majority of the taxes that affect most people can be demonstrated, and their effects can be explained. Discussion of the findings reveals how income and property taxes are larger concerns for wealthier individuals, while excise taxes like sales tax and other flat-rate taxes can have a larger effect on those with less income. As the composition of a person's taxes changes with an increase in income, the effective total tax rate increases only slightly if most other factors are equal, and larger increases are not seen unless the taxpayer is wealthy. In fact, lifestyle can

affect taxation much more than income. Therefore, taxation in West Michigan can only barely be considered progressive. Higher tax rates from some progressive taxes are often stifled by reduced taxable spending by those with more disposable income.

Introduction

The Project

This research project seeks to help readers understand the extent of which taxpayers in the West Michigan area are being taxed annually, and which taxes affect them the most. To do this, four hypothetical taxpayers with varying levels of income and differing lifestyles are examined, including: an individual with an annual income of \$15,000 a year, an individual with an annual income of \$55,000, a family of four with an annual income of \$90,000, and a couple with an annual income of \$450,000. The American Community Survey, which is put out by the Census Bureau, provides average expenditures for households in the Midwest at varying levels of income. When looked at as percentages, spending behavior can be determined at each income level. Then, the total tax effect can be tabulated by examining their income and spending behavior. Unfortunately, much of the needed information is not yet publicly available for the most recent tax year, so all numbers are calculated using consumer behavior from and taxes in place during 2019. This also helps us as it reflects economic conditions at pre-COVID 19 pandemic levels, which is helpful as our society returns to normal out of the pandemic. It is important to emphasize that the individuals represented in this project are hypothetical, and the list of taxes they are subject to may not be comprehensive, but these examples are helpful in understanding the amount of tax a person may pay over the course of a year.

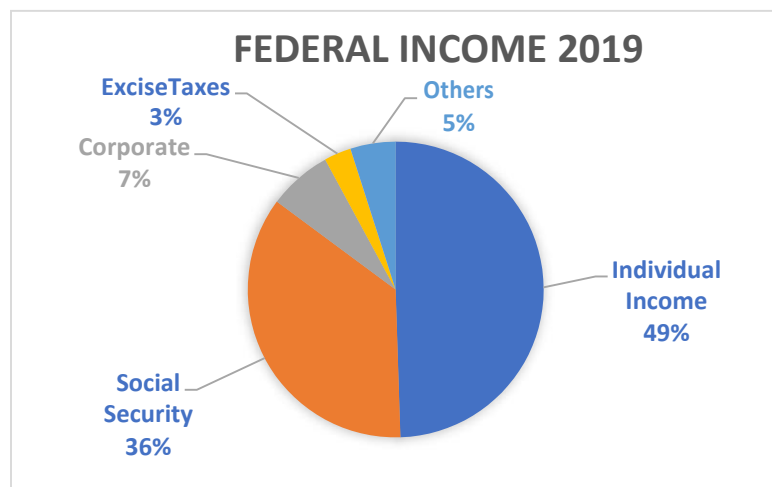
Motivation

The public often lacks understanding of taxation. As mentioned earlier, most people's knowledge of taxes does not go further than a basic understanding of income tax, sales tax, and maybe property tax. This project seeks to help people to understand just how many different taxes to which we may be subject and to what extent. Interestingly, not much research has been done on this topic. After completing my own research, I theorize that this may be because taxation varies greatly based on location, and determining what exactly the average taxpayer looks like, in regard to all their sources of income, expenditures, and hobbies (yes, this is important too), can be quite difficult. In a way, this project seeks to venture into uncharted waters. Though this project does not provide information on what an average taxpayer looks like either, it shows several examples of what people might pay based upon varying levels of income and habits. It is also important to note that capturing all taxes paid by an individual is nearly impossible, as products and their components can be taxed numerous times before they reach the hands of consumers, and the cost is always passed on to the consumer. This becomes even more difficult to quantify considering that many of the things we use come from different countries with different tax laws. However, most major taxes in the U.S. that are imposed directly to consumers, or that are charged to providers of goods and services and the costs of which are passed on to consumers, are considered.

Methods

Budgets

The first thing that needs to be determined is the list of taxes a person might be subject to. To determine which taxes people pay, the best places to look are the budgets of federal and state governments. About 50% of the federal government's revenue came from individual income taxes, 36% came from Medicare and Medicaid Taxes, 7% from corporate income tax, 3% from



excise taxes, and 5% from other sources in the year 2019 (What are the sources of revenue for the federal government?, 2022). See *Exhibit A* for a visual representation of this.

Exhibit A: Sources of Federal Income

When it comes to how average people are taxed, income tax and Social Security are among the most important considerations, but we need to look further into the excise taxes and other sources of income.

Out of all federal excise taxes, taxes on motor fuel, which are dedicated to the highways, makes up 44.4% of all excise taxes and makes up the largest category. Additionally, taxes on aviation makes up 16.1%, taxes on tobacco makes up 12.5%, alcohol taxes make up 10%, taxes on health insurance providers make up 9.6%, and others make up 7.4% (What are the major federal excise taxes, and how much money do they raise?, 2022).

In the budget of the state of Michigan, the details of its income are a bit more complicated. The Michigan Department of Treasury details an almost comprehensive list, showing everything except revenue from the Secretary of State in the 2019-2020 Fiscal Year Report. The list of their income sources is graphed in *Exhibit B*.

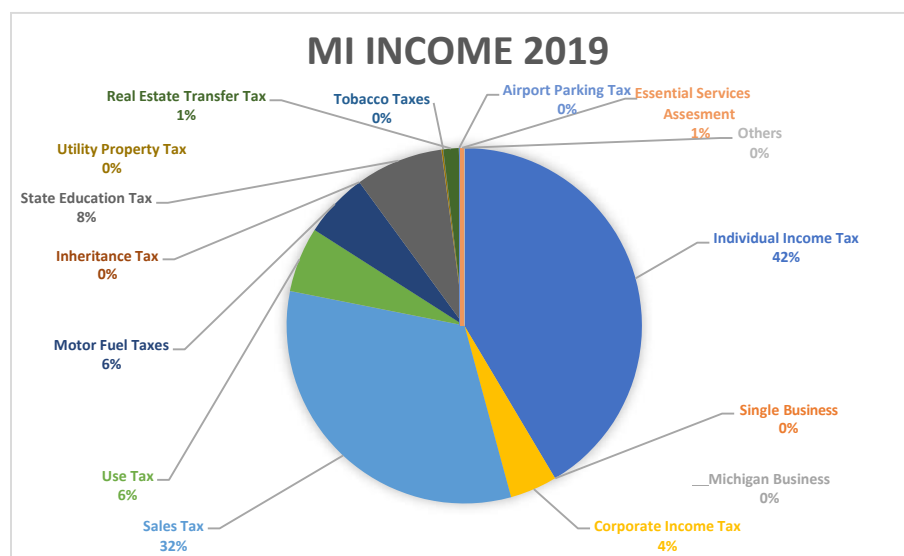


Exhibit B: Sources of Michigan Governmental Income

Among the largest that are relevant for this project are individual income taxes at 42%, sales and use taxes at 36% (use tax being sales tax for online purchases), the State Education Tax (a property tax) at 8%, and extra taxes on motor fuel at 6%. It is also interesting to note that collections of business taxes (other than corporate) went negative, as the state of Michigan made an effort in their tax policy to stimulate the economy that year, but this is not relevant to the project.

Example Taxpayers

The income of the four hypothetical taxpayers covers a wide span in order to show how progressive and regressive tax rates affect people at varying levels of income. The first three only have income sourced from W-2 wages, which means that withholdings are taken out of their paychecks before they receive any money. The fourth hypothetical taxpayer has some dividend and capital gain income as well to align with the typically more complex incomes of wealthy individuals. Each hypothetical taxpayer also has at least one hobby or vice that is subject to a specific tax; other than that, they have fairly clean lives. This may lower their tax burden to be slightly less than average (depending on the example), but all the major taxes that a person might pay are demonstrated nonetheless. None of these cases are going to represent the average taxpayer in West Michigan exactly; however, most major taxes that such people pay will be included in the examples and will give the reader a better idea of how much they might pay on an annual basis.

John U. Scarborough

The first taxpayer is John U. Scarborough. John has an annual income of \$15,000 a year working as a line cook. He currently rents an apartment in Comstock Park, MI and drives a 2005 Honda Civic. John is able to keep himself away from most vices, but he does smoke half a pack of cigarettes a day.

Tim J. Smith

Next is Tim Smith. He has a job as a paralegal, making \$55,000 a year. He, like John, rents an apartment, but his is located in Jenison, MI. He drives a 2013 Chevy Traverse, which he often uses for his transportation when hunting, fishing and hiking, as he is a prolific outdoorsman. He has no other vices or hobbies that subject him to more taxes.

James C. & Stephanie M. Dubois

James and Stephanie Dubois are a married couple with a combined income of \$90,000 annually. James is a carpenter and Stephanie is a botanist. Together they have two young children, Michael and Susan, who can be claimed as dependents. They own a house in Kentwood, MI, along with two cars: a 2014 Mazda 6 and a 2013 Chevy Equinox. James and Stephanie spend an average amount of money on alcohol for people of their income, of which they spend 50% on wine and 50% on beer.

Claus L. & Miriam J. Anderson

Claus and Miriam have a household income of \$450,000. Four-hundred thousand dollars of that comes from his wages as a successful investment banker, \$20,000 as qualified dividends from stocks, \$15,000 from short-term capital gains, and another \$15,000 from long-term capital gains. They own a large home in East Grand Rapids and have four cars: a 2003 Corvette, a 2003 Jeep Rubicon, a 2015 Chrysler 300, and a 2016 Audi A8. Additionally, they own a 25-foot sailboat and enjoy traveling, having gone on four domestic flights and one international trip to Italy during 2019.

Federal Tax Calculations***Income Tax***

Mock federal and state income tax returns were prepared for John Scarborough, Tim Smith, James & Stephanie Dubois, and Claus & Miriam Anderson. Their marginal tax rates were 12%, 22%, 22%, and 32%, respectively. It is important to note that not all of their income is taxed at these rates. The federal tax tables tax the first portion of an individual's income at a low rate and then step up the rate for the next portion of income, and the rate may step up like this numerous times if they have enough income. For example, in 2019, the first \$9,700.00 of income

for a single person was taxed at 10%, and any income between \$9,701.00 and \$39,475.00 is taxed at 12%, and so on (Tax year 2019 1040 & 1040-SR instructions, 2020). Each of the hypothetical taxpayers' income tax returns at the federal and state levels can be found in *Exhibits F-I*.

Due to John's low income, he was eligible for the Earned Income Credit, which lowered his tax burden significantly. On the other hand, the Andersons found themselves in the 32% marginal tax bracket, but ended up paying 15% on their \$35,000 in dividends and long-term capital gains, resulting in an incomparably higher number, which is discussed in the findings section. They also itemized their deductions, which included \$20,000 of charitable giving and \$21,659.00 in mortgage interest. This interest was calculated at twelve months of the average interest from a 30-year fixed-rate mortgage for a \$1,150,000.00 house (discussed later), using 20% down and the average interest rate in 2019 of 3.94% (Miller, 2022).

Social Security

Social Security taxes are broken down into two components: OASDI and Medicare. OASDI stands for the Old-Age, Survivors, and Disability Insurance Program, and it seeks to cover Americans who have a reduction in income from not being able to work or retiring. In 2019, OASDI taxed wages, not including capital gains or dividends, at a rate of 6.2% to both employees and employers. If the taxpayer is self-employed, they must pay both halves, effectively doubling the amount paid. It also had a maximum taxable earnings of \$132,900.00 in 2019 (Social Security Administration, 2019). This means that the most a taxpayer could have paid that year is \$8,239.80, or \$16,479.60 if self-employed. Only the Andersons hit this limit for wage earners.

The second part to Social Security is Medicare. Medicare taxes individuals at a rate of 1.45% of their wages and also doubles for self-employed individuals, but unlike OASDI, there is no limit to taxable income (2019 Social Security Changes, 2019). Together, Social Security taxes come out to 7.65% of all wages earned, or 15.3% for the self-employed.

Motor Fuel Taxes

In 2019, the federal government charged an excise tax of 18.4 cents per gallon of gasoline and 24.4 cents per gallon of diesel fuel (What are the major federal excise taxes, and how much money do they raise?, 2022). To determine how much consumers spent on gasoline, the process involved looking at the American Community Survey and determining how much the average person spent on fuel in varying ranges of income which were set by the American Community Survey, also known as the ACS (Midwestern region by income before taxes, 2020). The income ranges in which our hypothetical taxpayers fell into were then selected, and gas expenditures were converted into a percentage of total expenditures. To determine how much each of the hypothetical taxpayers spent, the annual income of our hypothetical taxpayers was multiplied by the percentage that average total expenditures were in relation to average income of each income range in the ACS. Then, the annual expenditures of the hypothetical taxpayers were multiplied by the percentage of expenditures spent on “gasoline, other fuels, and motor oil,” made up of the total (Midwestern region by income before taxes, 2020).

Assuming that all of that money was spent on gasoline (spending on motor oil was deemed to be immaterial), this total fuel expenditure number for each hypothetical taxpayer was divided by the median price of gasoline in Grand Rapids in 2019, which was roughly \$2.55 (GasBuddy, 2022). This gave us the number of gallons of gas used by each hypothetical taxpayer. These numbers were then multiplied by the tax rate to calculate total federal gas tax.

Natural Gas

A similar was used to calculate total federal excise taxes on natural gas. The total natural gas expenditures for each hypothetical taxpayer were divided for the average national price of natural gas in 2019, which was \$2.56 per gallon (Natural gas prices - historical chart, 2022). In 2019, the tax rate on compressed natural gas was 18.4 cents per gallon (Michigan: fuel excise taxes, 2022).

Home Heating Oil

Heating oil follows the same pattern of calculation as other excise taxes on fuel. The average price during 2019 was \$2.6058 per gallon (Heating oil explained, 2021). In 2019, the excise tax on it was 24.4 cents per gallon (Michigan: fuel excise taxes, 2022).

Medications

Taxation on pharmaceuticals is unique. The “Lower Drug Costs Now Act of 2019” requires \$2.8 billion from drug companies, which was to be allocated to drug manufacturers based on market share (House Committee on Ways and Means, Staff of the Joint Committee on Taxation, 2019). U.S. drug manufacturers produced \$217.5 billion worth of pharmaceuticals that year, and Americans purchased \$574 billion (Mikulic, 2021). The tax number was divided by the total production to produce an effective tax rate of approximately 1.29%. Then, the hypothetical taxpayers’ spending on drugs was multiplied by the percentage of drugs purchased that were made in the U.S. Finally, this number was multiplied by 1.29%

Alcohol

James and Stephanie Dubois were the only alcohol drinkers out of the hypothetical taxpayers, and they spend what would be tabulated to be an average amount of money on alcohol for a taxpayer with their income in the ACS (\$586.63). Distilled spirits were taxed at \$13.50 a

gallon (which dropped to \$13.34 halfway through the year), \$1.07 a gallon for wine, \$3.50 per gallon of sparkling wine, and \$18.00 per barrel (31 gallons) of beer, unless annual production is less than 2 million barrels, in which case the first 60,000 are taxed at \$3.50 each (What are the major federal excise taxes, and how much money do they raise?, 2022). Due to complications at the state level with distilled spirits, they were assumed to spend half their alcohol budget on beer (assumed they were popular beers to avoid the reduced tax rate complication) and the other half on normal wine. It was assumed they spent \$15 per bottle of wine, and the average price for a case of 24 12oz cans of beer of \$16.07, found in a study by Simple Thrifty Living (Beer drinker? This is how much a case of beer will cost in your state, 2019). It was also assumed those wine bottles were standard 750 mL bottles (Puckette, 2022). Using similar methods to other excise taxes, adding in some volume conversions, total alcohol tax numbers were calculated.

Tobacco

The federal excise tax for cigarettes is around \$1.00 a pack (What are the major federal excise taxes, and how much money do they raise?, 2022). John Scarborough was the only smoker out of the hypothetical taxpayers, and he was assumed to smoke a half a pack of cigarettes a day. The average tobacco expenditure number from the ACS was ignored in this case because so few people smoke in the United States that the expenditure number would be unrealistically low for most tobacco users.

Aviation

For domestic flights, there is a 7.5% tax on each ticket and a 6.25% tax on luggage, plus an extra tax of \$4.30 for each flight segment, which consists of one liftoff and one landing. On international flights, there is a tax of \$18.90 for each time you take off from the United States, and again each time you land (What are the major federal excise taxes, and how much money do

they raise?, 2022). It is assumed that Claus and Miriam went on four domestic trips together with no layovers for the average price in 2019 of \$355 a ticket (Annual U.S. domestic average itinerary fare in current and constant dollars, 2022). They also brought one checked bag each for a price of \$30 for each flight, and went on one international trip to Italy with a ticket cost of \$900.00 (Italian taxes were not considered).

Sporting Equipment

The Pittman-Robertson Wildlife Restoration Act was enacted in 1937 and was put in place to raise money for conservation and hunter education programs. The act imposes an 11% tax on firearms, ammunition, and archery equipment, as well as a 10% tax on pistols and revolvers. The U.S. Fish and Wildlife service then takes the money and distributes it to the states for use by their own conservation agencies (Crafton, 2019). Tim Smith is the only outdoorsman of the hypothetical taxpayers, and he is assumed to have spent \$400.00 on a bow and other archery equipment, which is subject to the 11% tax.

State Taxes

Income Tax

State of Michigan tax returns have been prepared for each taxpayer in *Exhibits F-I*. John Scarborough was able to claim a small Earned Income Credit and Michigan Homestead Property Tax Credit to recoup some of his rent costs. Tim Smith was also able to claim the Michigan Homestead Property Tax Credit.

Line 23 of the form MI-1040 also calculates an estimated use tax number based upon your level of income. Use tax is a sales tax on online purchases, but since documentation is not always readily available for online purchases, the state of Michigan offers this estimated number

so that they can still collect on it. This was subtracted from the final number for Michigan income tax and added to the sales and use tax category.

Sales & Use Tax

The General Sales Tax Act of 1933 put the current sales tax of 6% into effect. In more recent years, the state has tried to capture that same 6% tax from sales over online platforms in an effort to retain revenue, and that has been dubbed *use tax*. Use tax even applies to sales coming from outside of Michigan into the state, and shipping out of the state (MCL 205.52). All expenditures from the ACS that are subject to sales and use tax were grouped and charged the 6% rate. Additionally, use tax from Line 23 of the MI-1040 is included in the final number. Lastly, it is important to note that most other expenditures that have additional taxes like cigarettes, alcohol, sporting equipment, etc. still pay sales tax on top of their additional excise taxes. Money that would be spent on these things is assumed to be included in the sales tax number from the ACS already.

State Education Tax (Property Tax)

In 1993, Act 331, or the State Education Tax Act was passed, which imposed a property tax of 6 mills to be charged during summer billing of property taxes, and the money is to be used to fund the schools (MCL 221.903). The millage system works by charging a taxpayer \$1 for every \$1,000 of taxable home value. The taxable value is determined by public assessors who value the property at 50% of cash value of the property and then apply other exclusions if applicable. The millage rates are then applied to the taxable value, and the resulting property taxes are billed twice a year, once in the summer and again in the winter (CCH Tax Law Editors, 2019). The taxable value of the homes chosen for the Dubois and Anderson households was examined, and six mills were extracted for this value. The same was done with Tim Smith and

John Scarborough's apartments. For more information on how properties were chosen, see the subsection on property taxes, under the Municipal Taxes section.

Vehicle Fuel

In 2019, the tax on motor vehicle fuel charged by the state of Michigan was 26.3 cents per gallon (Zin & Siracuse, 2019). The rest of the calculation followed the methodology of calculating the federal tax on motor fuel. In combination with federal taxes, consumers paid 44.7 cents per gallon of gasoline in tax, and 50.7 cents per gallon of diesel in tax.

Vehicle Registration

Determining vehicle registration was a difficult process. The Department of Motor Vehicle's website says that the registration cost was based on the original MSRP of the vehicle, license plate fees, processing fees, and the possibility of a recreational passport fee and that the price of registration declines for the first three years of the car's life by a percentage of the original MSRP (Car registration in Michigan, 2022). The issue, however, is that the website refuses to elaborate further, and the Michigan Secretary of State has not responded to inquiry about the formula they use or what percentage of the vehicle's MSRP they use (if it is truly that simple). To make up for this lack of information, the registration information from a 2014 Mazda 6 was examined. The fees (like the state park pass) were subtracted from the final price, and it was divided by the original MSRP of the car to come to a percentage of approximately 0.475%. This car was past the initial three-year step down in price, so all example cars if the hypothetical taxpayers were made to be at least three-years old during 2019.

Recreation passes allow access to state parks and can be bought with a car's registration. The cost is \$12 per car (Car registration in Michigan, 2022). It was assumed that Tim Smith's car had one, James and Stephanie Dubois had one car with a pass, and Claus and Miriam Anderson

put these passes on two of their cars. Though it is extremely possible that John Scarborough could have purchased a pass, it was assumed that he did not because his lower income would likely necessitate a redirection of those funds.

Boat registration is much simpler. The DMV website shows different prices for motorized watercraft between certain sizes. The Andersons have a 25-foot boat, so they are charged \$115 (Boat registration and licenses in Michigan, 2022).

License Plate

A license plate costs \$5 and is valid for 10 years in the state of Michigan (License plates and tabs, 2022). If the cost is amortized over its life, this results in an average of 50 cents per year per car.

Driver's License Renewal

Michigan driver's licenses cost \$18 to renew and must be renewed every four years (License renewal in Michigan, 2022). This results in a cost of \$4.50 per driver per year.

Title Fees

Upon the purchase of a vehicle, the Secretary of State charges a \$15 title fee (Car registration in Michigan, 2022). Assuming that all of these vehicles will be owned for an average of 10 years, this amounts to \$1.50 per year for each car.

Airport Parking

The state of Michigan charges 27% of revenue from airport parking (MCL 207.373). It was assumed the Andersons parked their car an average of four days for each of their five trips and paid the current going rate of \$18 a day for long-term parking at Gerald R. Ford International Airport (Parking services, 2022).

Alcohol

Michigan charges a tax of 51 cents on each gallon of wine and 20 cents per gallon of beer (Michigan: alcohol excise taxes, 2022). Similar methods were used to determine the federal tax on alcohol from here on out. Additionally, liquor is a state-controlled substance, so any revenue the state makes from it comes from selling it, so no excise taxes are charged to liquor (Michigan: alcohol excise taxes, 2022). The government revenue collected from it are harder to calculate, so for this reason, liquor was ignored.

Tobacco

The tax on tobacco is \$2 a pack in the state of Michigan (Michigan: tobacco excise taxes, 2022). John Scarborough is the only hypothetical taxpayer that uses tobacco, smoking a half a pack per day.

Hunting and Fishing Licenses

Each year, the Michigan Department of Natural Resources issues guidebooks detailing all the regulations that outdoorsmen must follow while in the field. Among this information is a list of prices for various licenses that must be purchased to pursue different species of game animals. Tim Smith is the only outdoorsman of all the hypothetical taxpayers, and he is assumed to hunt deer and small game and also enjoy fishing. This requires the purchase of a base license, which is needed before purchasing any other license (and also doubles as a small game license), a deer license (which can be purchased as either a single tag or a combination tag for two deer, with a limited number of antlerless deer licenses are also available), and an all-species fishing license. A base license, a deer combination tag, and an all-species fishing license can be purchased together in their “*Hunt/Fish Combination*” deal for \$76.00 (Michigan Department of Natural Resources, 2019). We assume that this is what Tim purchased.

Municipal Taxes

Property Taxes

Only the Dubois and Anderson families own homes. Following the commonly known rule that a person should not pay much more than 2.5 times more than their annual income on a home, houses were found on Zillow with asking prices around that target number (\$225,000 for the Dubois household and \$1,125,000 for the Andersons). For the Dubois family, a 1,438 square foot house with three bedrooms and two bathrooms and a two-car garage was found with an asking price of \$224,900 in Kentwood, MI. For the Andersons, a four-bedroom and four-bathroom house with 3,603 square feet and a four-car garage in East Grand Rapids, MI was found with an asking price of \$1,150,000. Property tax payments on these houses were \$1,663.00 and \$18,795.00, respectively during 2019. Exact addresses for these homes will not be disclosed, as they are real homes with real people living in them. It is also worth noting that property values have gone up significantly in 2022, so assuming that the Dubois and Anderson households have been in these homes for a while means that the prices they would have acquired them for is less than the 2.5 times their annual income rule. Nonetheless, it is safe to assume that people's incomes grow over time, so these homes are still appropriate choices.

John and Tim rented apartments. Even though they themselves did not pay property taxes they paid them through their rents, for landlords pass the cost down to the tenants by charging enough for rent to cover it. Apartments were found on Apartments.com that fit their budgets, assuming they spend around 25% of their income on rent, and the complexes' property tax information was found. Total property tax bills from 2019, which were found on BS&A Online, were multiplied by the percentage of total square feet their respective apartments were of the total (unfortunately, not enough information was available to include the apartment's share of

common area, but this omission should not affect the calculation too much), and a total of six mils of the 2019 assessed value was subtracted to discard the State Education Tax and arrive at a final number. It is important to note that no apartment could be found that fit John's budget, so it was assumed that he received assistance, from Section 8 or another source, to cover the difference between his budget (25% of income) and the rent (he supplied around 52% of the rent). Therefore, only 52% of his apartment's property tax was added to his total.

Income Tax

Twenty-four municipalities across the state impose an income tax. According to michigan.gov, Grand Rapids has a tax of 1.5% for residents of the city and 0.75% for nonresidents who work in the city. Other cities in the area that impose an income tax are Walker, Muskegon, Muskegon Heights, Portland, and Battle Creek. All of these have a tax of 1% for residents and 0.5% for nonresident workers. The highest city income tax in the state is in Detroit, which charges 2.4% to its residents and 1.2% to nonresident workers (What cities impose an income tax, 2022). None of the hypothetical taxpayers live or work in these municipalities, as most city returns are full of their own additions and subtractions which would add further complication to the project. However, it is important for the reader to be aware that these taxes exist.

Findings

One of the most important findings of this study was that effective tax rates did not change much for the example taxpayers that fall into either the lower or middle class categories. As a reminder, John Scarborough made \$15,000.00, Tim Smith made \$55,000.00, James & Stephanie Dubois made \$90,000.00, and Claus & Miriam Anderson made \$450,000.00. Their effective tax rates, including all taxes were 27.52%, 28.05%, 22.30%, and 33.26%, respectively

(See Exhibit C). These do not exactly follow the pattern of their marginal income tax rates of 12%, 22%, 22%, and 32%. Effective tax rates did climb with level of income, but not nearly as much as one would expect; especially among the lower and middle-class taxpayers. It is worth noting that the reason for the decrease in effective tax rate between the Smith and Dubois households is that the Child Tax Credits received by the Dubois family for their two children decreased their federal income tax by \$4,000.00, and their alcohol habit was not taxed as heavily as those of some of the other hypothetical taxpayers. Granted, the amount of tax collected greatly increased with income, with Claus & Miriam paying almost seven and a half times more in taxes than James & Stephanie, and Tim paying over four times more than John did. Therefore, it can be asserted that total taxation for individuals in Michigan is barely progressive for most lower

Total Taxes by Type									
	John (\$15K)		Tim (\$55K)		James & Stephanie (\$90K)		Claus & Miriam (\$450K)		
Federal									
Income Tax	\$ 239.00	1.593%	\$ 5,280.00	9.600%	\$ 3,487.00	3.874%	\$ 84,152.00	18.700%	
OASDI	\$ 930.00	6.200%	\$ 3,410.00	6.200%	\$ 5,580.00	6.200%	\$ 8,239.80	1.831%	
Medicare	\$ 217.50	1.450%	\$ 797.50	1.450%	\$ 1,305.00	1.450%	\$ 5,800.00	1.289%	
Vehicle Fuel	\$ 48.93	0.326%	\$ 124.14	0.226%	\$ 163.51	0.182%	\$ 272.44	0.061%	
Natural Gas	\$ 25.93	0.173%	\$ 38.68	0.070%	\$ 51.08	0.057%	\$ 99.53	0.022%	
Home Fuel	\$ 3.65	0.024%	\$ 9.06	0.016%	\$ 10.01	0.011%	\$ 18.20	0.004%	
Drugs	\$ 1.75	0.012%	\$ 2.26	0.004%	\$ 2.98	0.003%	\$ 5.52	0.001%	
Alcohol					\$ 14.74	0.016%			
Tobacco	\$ 182.50	1.217%							
Aviation							\$ 335.40	0.075%	
Sporting Equipment			\$ 44.00	0.080%					
Total Federal	\$ 1,649.26	10.995%	\$ 9,705.64	17.647%	\$ 10,614.32	11.794%	\$ 98,922.88	21.983%	
State									
Income Tax	\$ 405.00	2.700%	\$ 1,833.00	3.333%	\$ 3,825.00	4.250%	\$ 19,125.00	4.250%	
Sales and Use Tax	\$ 1,017.59	6.784%	\$ 2,432.13	4.422%	\$ 3,445.56	3.828%	\$ 11,277.37	2.506%	
Vehicle Fuel	\$ 69.94	0.466%	\$ 177.43	0.323%	\$ 233.71	0.260%	\$ 389.41	0.087%	
Car Registration	\$ 76.92	0.513%	\$ 154.42	0.281%	\$ 256.38	0.285%	\$ 893.28	0.199%	
License Plate	\$ 0.50	0.003%	\$ 0.50	0.001%	\$ 1.00	0.001%	\$ 2.00	0.000%	
Title Fee	\$ 1.50	0.010%	\$ 1.50	0.003%	\$ 3.00	0.003%	\$ 6.00	0.001%	
State Education Tax	\$ 62.87	0.419%	\$ 131.90	0.240%	\$ 284.84	0.316%	\$ 2,498.38	0.555%	
Recreation Pass			\$ 12.00	0.022%	\$ 12.00	0.013%	\$ 24.00	0.005%	
License Renewal (Allocated)	\$ 4.50	0.030%	\$ 4.50	0.008%	\$ 9.00	0.010%	\$ 9.00	0.002%	
Boat Registration							\$ 115.00	0.026%	
Airport Parking							\$ 97.20	0.022%	
Alcohol					\$ 6.34	0.007%			
Tobacco	\$ 365.00	2.433%							
Hunting/Fishing Licenses			\$ 76.00	0.138%					
Total State Taxes	\$ 2,003.83	13.359%	\$ 4,823.39	8.770%	\$ 8,076.83	8.974%	\$ 34,436.64	7.653%	
Municipal Taxes									
Property Tax	\$ 474.88	3.166%	\$ 898.39	1.633%	\$ 1,378.16	1.531%	\$ 16,296.62	3.621%	
Total Municipal Taxes	\$ 474.88	3.166%	\$ 898.39	1.633%	\$ 1,378.16	1.531%	\$ 16,296.62	3.621%	
Total Income	\$ 15,000.00	100.000%	\$ 55,000.00	100.000%	\$ 90,000.00	100.000%	\$ 450,000.00	100.000%	
Total Expenditures	\$ 21,244.08	141.627%	\$ 48,224.45	87.681%	\$ 68,713.54	76.348%	\$ 211,723.28	47.050%	
Total Taxes	\$ 4,127.97	27.520%	\$ 15,427.41	28.050%	\$ 20,069.31	22.299%	\$ 149,656.15	33.257%	

Exhibit C: Totals for each tax type and percentages of total income

and middle-class people, while larger progressive increases are not seen unless the taxpayer is wealthy. Unless the taxpayer is wealthy, lifestyle is more likely to have a larger effect on tax rates than income level.

Anyway, there are several causes for these small percentage increases in effective tax rates. The first is that most taxes are not progressive like the federal income tax is. Social Security and Medicare taxes impose a flat rate, and the OASDI portion could be considered regressive in that it stops collecting tax after \$132,900 in income. Most of the taxes examined in this study were excise taxes, and they do not usually lower their rates based on level of income. All that affects them is how much an individual purchases. It is true that people with more money spend more; however, in most cases, it is also true that once a person spends the minimum amount they need to get by on an item, marginal spending eventually decreases in proportion to income. Sales tax was the largest reason for this, but all other excise taxes and other small taxes made up only between 1% of total taxes for the Andersons and 5.2% for John Scarborough. For this reason, it is easily assumed that any other small taxes that may have been missed in this project would not likely have a material effect on the total taxes paid. Anyway, it was easily calculated from the American Community Survey that the percentage of income a person spends decreases as their income rises. Households with income over \$200,000.00, like the Andersons, spent only 47.05% of their income in 2019. Households like the Dubois family spent 76.35% (making \$70,000 - \$99,999), those like Tim Smith (making \$50,000 - \$69,999) spent 87.68%, and curiously, those like John Scarborough (making \$15,000 - \$29,999) spent 141.63% of their income. This could be due to welfare, having others support them (like parents helping their college-age children), or people relying on debt to get by, but further research into this is needed to draw definitive conclusions.

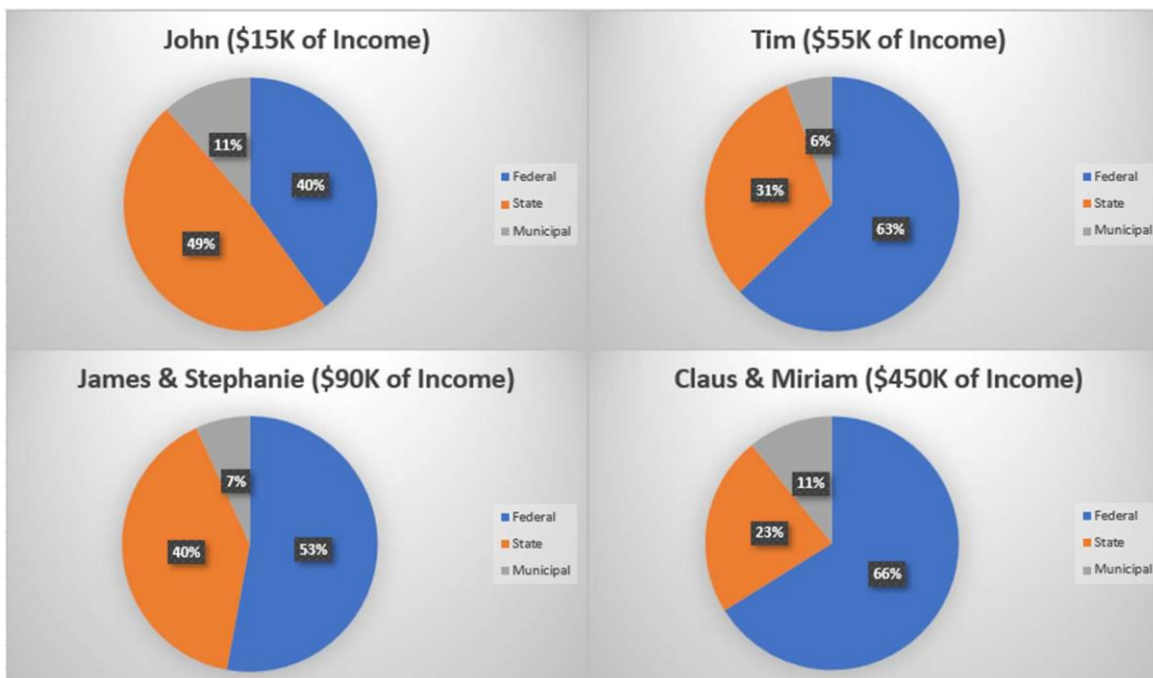


Exhibit D: Federal, State, and Municipal shares of total tax burden.

John Scarborough (\$15,000 in Income)

The composition of the total taxes paid by each hypothetical taxpayer varied greatly by income level. In John's case, most of his taxes were paid to the state of Michigan (around 49%); see *Exhibit D* for the distribution of their taxes to each taxing authority. Of that, the three largest taxes were sales tax at 50% of total state taxes paid, income tax of 21%, and tobacco excise taxes of 18%. Sales taxes are the largest tax faced by those at lower levels of income, as the vast majority of their expenditures are subject to it, and it is a flat-rate tax. Since the percentage of sales tax decreases consistently with increased income (going down to 32.75% for the Andersons), it could be considered regressive in a sense. John's smoking habit creates a heavy tax burden as well. Between federal and state excise taxes, he pays \$547.50 for his habit of smoking a half of a pack of cigarettes each day, making up over 13.26% of his total tax burden. When it comes to his federal taxes, Social Security taxes dwarfed his income tax (\$239.00

compared to \$1,147.50). OASDI and Medicare together make up almost 70% of his federal taxes. These taxes would also be considered regressive when compared to his total tax burden. In total, John paid \$4,127.97 in total taxes, resulting in an effective tax rate of 27.520%.

Tim Smith (\$55,000 in Income)

Tim made enough money for his federal taxes to overtake his state taxes, making up 63% of his total tax burden, with only 31% going to the state of Michigan. His income tax also managed to overtake his contributions to Social Security (54.4% of federal taxes compared to 43.35% between Medicare and OASDI). Expenditures for vehicle fuel increased from John's numbers. Their relation to the rest of the taxes is trickier, however. Excise taxes on vehicle fuel increased as a percentage of state taxes (3.49% to 3.68%), but it greatly decreased at the federal level (2.97% to 1.28%). To see total numbers spent on vehicle fuel, see *Exhibit C*. This is likely due to the fact that his larger income led to large increases in income tax and Social Security taxes. Tim's outdoor hobbies also cost him \$120.00 between Pittman-Robertson tax and licenses. It is interesting that even though the Pittman-Robertson tax invokes a hefty excise tax (11%), hunting licenses ended up costing more. Looking at his taxes as a whole, it still made up a miniscule percentage of his taxes paid. In total, Tim paid \$15,427.41 in taxes, resulting in a \$28.050% effective tax rate.

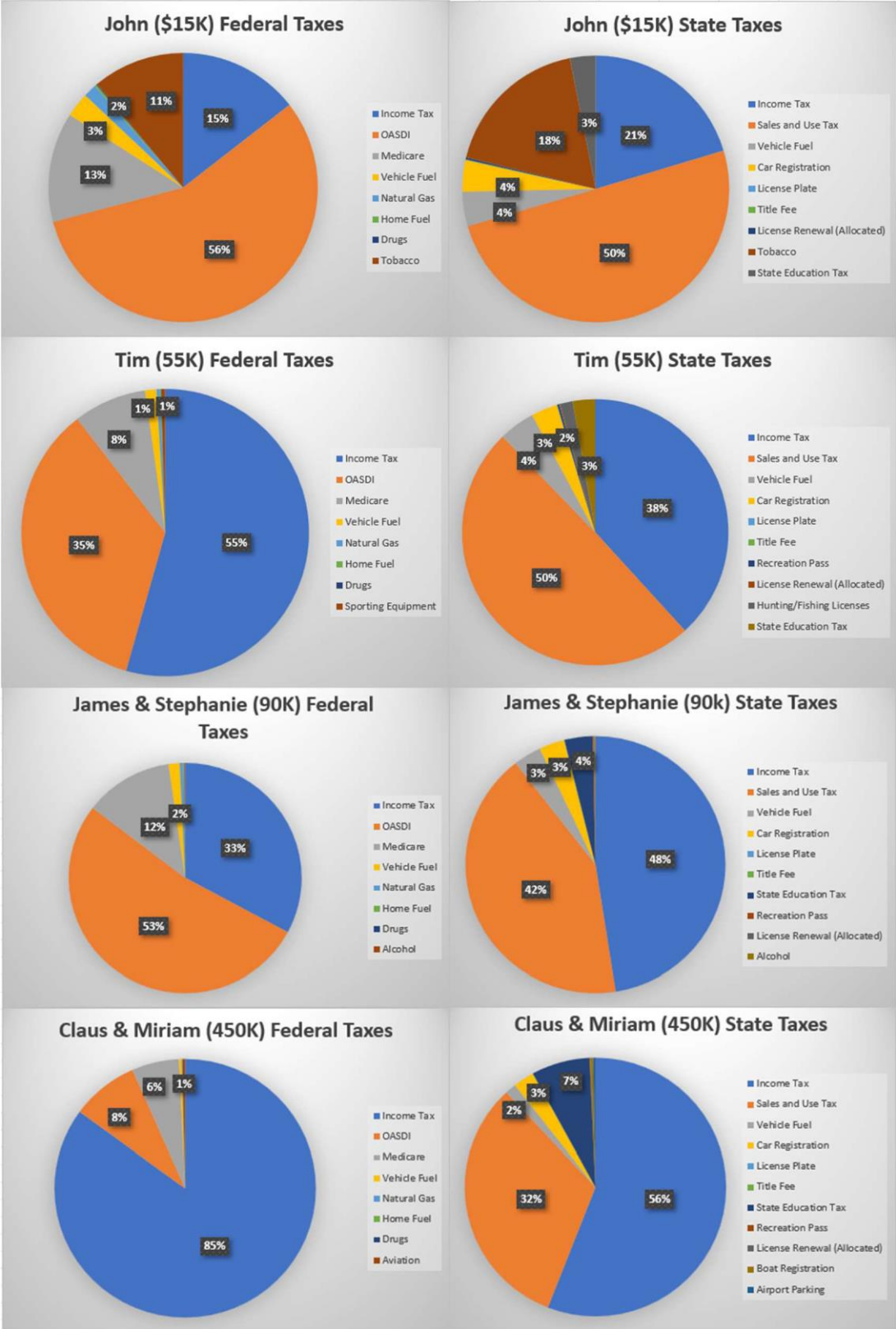


Exhibit E: Makeup of Federal and State Taxes

James & Stephanie Dubois (\$90,000 in Income)

The Dubois family reversed several patterns that have started to build. Their percentage of federal taxes compared to total taxes decreased down to 53%, and Social Security taxes overtook federal income taxes again. Both effects are due to the fact that the Child Tax Credit reduced their tax burden by \$2,000.00 per child, dropping their total income tax paid from \$7,487.00 to \$3,487.00. If they did not have children, their federal income tax would be greater than Social Security taxes, and the percentage made up by federal taxes would not have dropped so much. The other complicating factor is the addition of property taxes, which makes up seven percent of total taxes paid by the Dubois family and gives the state of Michigan another \$284.84 for the schools. It was also at the Dubois's level of income that Michigan's income taxes surpassed sales and use taxes. Furthermore, excise taxes on alcohol were surprising low. Between federal and state taxes, they paid \$21.08 in spending an average amount on alcohol. The Dubois family ended up paying \$20,069.31 in taxes, giving them an effective tax rate of 22.299%

Claus & Miriam Anderson (\$450,000 in Income)

Last are the Andersons. Their percentage of federal taxes in comparison to total taxes paid increased almost as high as Tim Smith's percentage, sitting at 66%. The percentage made up by property taxes also increased to 11%, as they have a nice house in a nice location, leaving the final 23% going to the state. Their income tax dwarfed their Social Security taxes (85.07% of federal taxes compared to 14.19%), for their income exceeded the maximum taxable income for OASDI, and their marginal tax rate was as high as 32%. At the state level, income taxes continued to grow as a percentage, making up 56% of total state taxes, with sales tax shrinking down to 32%. The State Education Tax also doubled as a percentage of total state taxes, sitting at

7.26%. The Andersons also paid a grand total of \$432.60 between federal and state taxes relating to aviation. However, this only made up 0.097% of their total tax burden. Registration costs for their boat were also relatively small (\$115.00 in comparison to an average of \$223.32 per car). The Andersons paid a grand total of \$149,656.15, meaning their effective tax rate was 33.257%.

Conclusion

The largest change in total tax burden of the four hypothetical taxpayers, other than total amount spent, was the composition of their taxes. Most excise taxes, sales tax, and social security taxes hit people at lower levels of income the most, while income and property taxes tend to become more significant for the wealthy. I was especially surprised to see how low total income taxes could be at lower levels of income in comparison to other taxes, especially OASDI tax. I also found the reduction in taxes produced by having children to have a surprising effect on lowering an individual's tax burden. Interestingly, effective tax rates ended up between 22% and 29% for the lower to middle class hypothetical taxpayers, with little increases coming with increased income. In fact, lifestyle choices like number of children, where you live, frequency of travel, and habits like smoking can affect effective tax rates more than income level for most lower to middle class people. Since these example taxpayers live fairly clean lives, it is safe to assume that rates can go much higher or lower based on lifestyle. Lastly, progressive increases in effective tax rates are not substantially seen unless the taxpayer makes considerably more money than average. Lower spending from those with more money and flat-rate taxes contribute greatly to this slow climb in effective tax rates. Taxation is a complicated subject, with constantly changing rules. I hope that the reader walks away with a better understanding of how taxation works and what might affect them personally.

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[oil/#:~:text=Heating%20oil%20explained%201%20Heating%20oil%20is%20made,United%20States%20is%20produced%20from%20crude%20oil.%20](https://www.eia.gov/energyexplained/heating-oil/#:~:text=Heating%20oil%20explained%201%20Heating%20oil%20is%20made,United%20States%20is%20produced%20from%20crude%20oil.%20)

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[20all%20covered,taken%20into%20account%20during%20the](https://www.congress.gov/116/meeting/house/110137/documents/HMKP-116-WM00-20191022SD006.pdf#:~:text=The%20aggregate%20annual%20fee%20imposed%20on%20all%20covered,taken%20into%20account%20during%20the)

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Exhibit F

Form **1040**

Department of the Treasury—Internal Revenue Service (99)
U.S. Individual Income Tax Return

2019

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space.

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying widow(er) (QW)

Check only one box. If you checked the MFS box, enter the name of spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent. ▶

Your first name and middle initial JOHN U	Last name SCARBOROUGH	Your social security number X X X X X X X X
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. 123 APARTMENT ST	Apt. no. 1	Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). COMSTOCK PARK, MI 49321		

Foreign country name	Foreign province/state/county	Foreign postal code	If more than four dependents, see instructions and ✓ here ▶ <input type="checkbox"/>
----------------------	-------------------------------	---------------------	--

Standard Deduction **Someone can claim:** You as a dependent Your spouse as a dependent
 Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** Were born before January 2, 1955 Are blind **Spouse:** Was born before January 2, 1955 Is blind

Dependents (see instructions):		(2) Social security number	(3) Relationship to you	(4) ✓ if qualifies for (see instructions):	
(1) First name	Last name			Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

1 Wages, salaries, tips, etc. Attach Form(s) W-2		1	15,000
2a Tax-exempt interest	2a	b Taxable interest. Attach Sch. B if required	2b
3a Qualified dividends	3a	b Ordinary dividends. Attach Sch. B if required	3b
4a IRA distributions	4a	b Taxable amount.....	4b
c Pensions and annuities	4c	d Taxable amount.....	4d
5a Social security benefits	5a	b Taxable amount.....	5b
6 Capital gain or (loss). Attach Schedule D if required. If not required, check here			6
7a Other income from Schedule 1, line 9.....			7a
b Add lines 1, 2b, 3b, 4b, 4d, 5b, 6, and 7a. This is your total income			7b 15,000
8a Adjustments to income from Schedule 1, line 22.....			8a
b Subtract line 8a from line 7b. This is your adjusted gross income			8b 15,000
9 Standard deduction or itemized deductions (from Schedule A)	9 12,200		
10 Qualified business income deduction. Attach Form 8995 or Form 8995-A	10		
11a Add lines 9 and 10			11a 12,200
b Taxable income. Subtract line 11a from line 8b. If zero or less, enter -0-			11b 2,800

Standard Deduction for—
 • Single or Married filing separately, \$12,200
 • Married filing jointly or Qualifying widow(er), \$24,400
 • Head of household, \$18,350
 • If you checked any box under *Standard Deduction*, see instructions.

12a	Tax (see inst.) Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/>	12a	281
b	Add Schedule 2, line 3, and line 12a and enter the total	12b	281
13a	Child tax credit or credit for other dependents	13a	
b	Add Schedule 3, line 7, and line 13a and enter the total	13b	
14	Subtract line 13b from line 12b. If zero or less, enter -0-	14	281
15	Other taxes, including self-employment tax, from Schedule 2, line 10	15	
16	Add lines 14 and 15. This is your total tax	16	281
17	Federal income tax withheld from Forms W-2 and 1099	17	1,500
18	Other payments and refundable credits:		
a	Earned income credit (EIC)	18a	42
b	Additional child tax credit. Attach Schedule 8812	18b	
c	American opportunity credit from Form 8863, line 8	18c	
d	Schedule 3, line 14	18d	
e	Add lines 18a through 18d. These are your total other payments and refundable credits	18e	42
19	Add lines 17 and 18e. These are your total payments	19	1,542

• If you have a qualifying child, attach Sch. EIC.
• If you have nontaxable combat pay, see instructions.

Refund

20	If line 19 is more than line 16, subtract line 16 from line 19. This is the amount you overpaid	20	1,261
21a	Amount of line 20 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	21a	1,261
b	Routing number	c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
d	Account number		
22	Amount of line 20 you want applied to your 2020 estimated tax	22	

Direct deposit?
See instructions.

Amount You Owe

23	Amount you owe. Subtract line 19 from line 16. For details on how to pay, see instructions	23	NONE
24	Estimated tax penalty (see instructions)	24	

Third Party Designee

Do you want to allow another person (other than your paid preparer) to discuss this return with the IRS? See instructions. **Yes.** Complete below. **No**

Designee's name Phone no. Personal identification number (PIN)

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.


Your signature	Date	Your occupation COOK	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) <input type="text"/>
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) <input type="text"/>
Phone no.	Email address		

Joint return?
See instructions. Keep a copy for your records.



Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> 3rd Party Designee <input type="checkbox"/> Self-employed
Firm's name	Phone no.		Firm's EIN	
Firm's address				

Before you begin: ✓ Be sure you are using the correct worksheet. Use this worksheet only if you answered “No” to Step 5, question 2. Otherwise, use Worksheet B.

<p>Part 1</p> <p>All Filers Using Worksheet A</p>	1. Enter your earned income from Step 5.	1 15,000
	2. Look up the amount on line 1 above in the EIC Table (right after Worksheet B) to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here.	2 42
	If line 2 is zero,  You can't take the credit. Enter “No” on the dotted line next to Form 1040 or 1040-SR, line 18a.	
	3. Enter the amount from Form 1040 or 1040-SR, line 8b.	3 15,000
4. Are the amounts on lines 3 and 1 the same? <input checked="" type="checkbox"/> Yes. Skip line 5; enter the amount from line 2 on line 6. <input type="checkbox"/> No. Go to line 5.		

<p>Part 2</p> <p>Filers Who Answered “No” on Line 4</p>	5. If you have:	
	e No qualifying children, is the amount on line 3 less than \$8,650 (\$14,450 if married filing jointly)? e 1 or more qualifying children, is the amount on line 3 less than \$19,050 (\$24,850 if married filing jointly)? <input type="checkbox"/> Yes. Leave line 5 blank; enter the amount from line 2 on line 6. <input type="checkbox"/> No. Look up the amount on line 3 in the EIC Table to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. Look at the amounts on lines 5 and 2. Then, enter the smaller amount on line 6.	5

<p>Part 3</p> <p>Your Earned Income Credit</p>	6. This is your earned income credit.	6 42
	Enter this amount on Form 1040 or 1040-SR, line 18a.	
<p>Reminder—</p> <p>✓ If you have a qualifying child, complete and attach Schedule EIC.</p> <div style="text-align: right;">  </div>		
<div style="display: flex; align-items: center;"> <div style="text-align: center; margin-right: 10px;">  <p>CAUTION</p> </div> <div> <p><i>If your EIC for a year after 1996 was reduced or disallowed, see Form 8862, who must file, earlier, to find out if you must file Form 8862 to take the credit for 2019.</i></p> </div> </div>		

2019 MICHIGAN Individual Income Tax Return MI-1040

Amended Return
(Include Schedule AMD)

Return is due April 15, 2020. Type or print in blue or black ink.

1. Filer's First Name JOHN	M.I. U	Last Name SCARBOROUGH	2. Filer's Full Social Security No. (Example: 123-45-6789) XXX XX XXXX
If a Joint Return, Spouse's First Name	M.I.	Last Name	3. Spouse's Full Social Security No. (Example: 123-45-6789) — —
Home Address (Number, Street, or P.O. Box) 123 APARTMENT ST.			4. School District Code (5 digits – see page 60) 41080
City or Town COMSTOCK PARK		State MI	ZIP Code 49321
5. STATE CAMPAIGN FUND Check if you (and/or your spouse, if filing a joint return) want \$3 of your taxes to go to this fund. This will not increase your tax or reduce your refund.		a. <input type="checkbox"/> Filer b. <input type="checkbox"/> Spouse	6. FARMERS, FISHERMEN, OR SEAFARERS <input type="checkbox"/> Check this box if 2/3 of your income is from farming, fishing, or seafaring.
7. 2019 FILING STATUS. Check one. a. <input checked="" type="checkbox"/> Single b. <input type="checkbox"/> Married filing jointly c. <input type="checkbox"/> Married filing separately*		8. 2019 RESIDENCY STATUS. Check all that apply. a. <input checked="" type="checkbox"/> Resident b. <input type="checkbox"/> Nonresident * c. <input type="checkbox"/> Part-Year Resident *	

9. EXEMPTIONS. NOTE: If someone else can claim you as a dependent, check box 9e, enter 0 on line 9a and enter \$1,500 on line 9e (see instr.).

a. Number of exemptions (see instructions).....	9a.	x	\$4,400	9a.	00
b. Number of individuals who qualify for one of the following special exemptions: deaf, blind, hemiplegic, paraplegic, quadriplegic, or totally and permanently disabled.....	9b.	x	\$2,700	9b.	00
c. Number of qualified disabled veterans.....	9c.	x	\$400	9c.	00
d. Number of Certificates of Stillbirth from MDHHS (see instructions).....	9d.	x	\$4,400	9d.	00
e. Claimed as dependent, see line 9NOTE above.....	9e.	<input type="checkbox"/>		9e.	00
f. Add lines 9a, 9b, 9c, 9d and 9e. Enter here and on line 15.....	9f.			9f.	00
10. Adjusted Gross Income from your U.S. Forms 1040 or 1040NR(see instructions).....	10.			15,000	00
11. Additions from Schedule 1, line 9. Include Schedule 1	11.				00
12. Total. Add lines 10 and 11.....	12.			15,000	00
13. Subtractions from Schedule 1, line 28. Include Schedule 1	13.				00
14. Income subject to tax. Subtract line 13 from line 12. If line 13 is greater than line 12, enter "0".....	14.			15,000	00
15. Exemption allowance. Enter amount from line 9f or Schedule NR, line 19.....	15.				00
16. Taxable income. Subtract line 15 from line 14. If line 15 is greater than line 14, enter "0"	16.			15,000	00
17. Tax. Multiply line 16 by 4.25% (0.0425)	17.			638	00

NON-REFUNDABLE CREDITS

		AMOUNT			CREDIT
18. Income Tax Imposed by government units outside Michigan. Include a copy of the return (see instructions).....	18a.	00	18b.		00
19. Michigan Historic Preservation Tax Credit carryforward (see instructions)	19a.	00	19b.		00
20. Income Tax. Subtract the sum of lines 18b and 19b from line 17. If the sum of lines 18b and 19b is greater than line 17, enter "0"	20.			638	00

Filer's Full Social Security Number

XXX	—	XX	—	XXXX
-----	---	----	---	------

21. Enter amount of Income Tax from line 20.....	21.	638	00
22. Voluntary Contributions from Form 4642, line 10. Include Form 4642	22.		00
23. USE TAX. Use tax due on Internet, mail order or other out-of-state purchases from Worksheet 1 (see instructions)	23.	6	00
24. Total Tax Liability. Add lines 21, 22 and 23	24.	644	00

REFUNDABLE CREDITS AND PAYMENTS

25. Property Tax Credit. Include MI-1040CR or MI-1040CR-2	25.	230	00
26. Farmland Preservation Tax Credit. Include MI-1040CR-5	26.		00
		FEDERAL	MICHIGAN
27. Earned Income Tax Credit. Multiply line 27a by 6% (0.06) and enter result on line 27b.....	27a.	42	00
	27b.	3	00
28. Michigan Historic Preservation Tax Credit (refundable). Include Form 3581	28.		00
29. Michigan tax withheld from Schedule W, line 6. Include Schedule W (do not submit W-2s)	29.	638	00
30. Estimated tax, extension payments and 2018 credit forward	30.		00
31. 2019 AMENDED RETURNS ONLY. Taxpayers completing an original 2019 return should skip to line 32. Amended returns must include Schedule AMD (see instructions) .			
31a. <input type="checkbox"/> If you had a refund and/or credit forward on the original return, check box 31a and enter this amount as a negative number on line 31c.			
31b. <input type="checkbox"/> If you paid with the original return, check box 31b and enter the amount paid with the original return, plus any additional tax paid after filing, as a positive number on line 31c. Do not include interest or penalty.	31c.		00
32. Total refundable credits and payments. Add lines 25, 26, 27b, 28, 29, 30 and 31c	32.	871	00

REFUND OR TAX DUE

33. If line 32 is less than line 24, subtract line 32 from line 24. If applicable, see instructions.	33.		00
Include interest <input type="text"/> 00 and penalty <input type="text"/> 00		YOU OWE	
34. Overpayment. If line 32 is greater than line 24, subtract line 24 from line 32	34.	227	00
35. Credit Forward. Amount of line 34 to be credited to your 2020 estimated tax for your 2020 tax return ...	35.		00
36. Subtract line 35 from line 34.....	36.	227	00

DIRECT DEPOSIT

Deposit your refund directly to your financial institution! See instructions and complete a, b and c.

a. Routing Transit Number	b. Account Number	c. Type of Account
<input type="text"/>	<input type="text"/>	1. <input type="checkbox"/> Checking 2. <input type="checkbox"/> Savings

Deceased Taxpayer. If Filer and/or Spouse died after December 31, 2018, enter dates below.
ENTER DATE OF DEATH ONLY. Example: 04-15-2019 (MM-DD-YYYY)

Filer	— —	Spouse	— —
-------	-----	--------	-----

Preparer Certification. I declare under penalty of perjury that this return is based on all information of which I have any knowledge.

Preparer's PTIN, FEIN or SSN

Taxpayer Certification. I declare under penalty of perjury that the information in this return and attachments is true and complete to the best of my knowledge.

Filer's Signature	Date
Spouse's Signature	Date

Preparer's Name (print or type)

Preparer's Business Name, Address and Telephone Number

By checking this box, I authorize Treasury to discuss my return with my preparer.

Refund, credit, or zero returns. Mail your return to: **Michigan Department of Treasury, Lansing, MI 48956**
Pay amount on line 33 (see instructions). Mail your check and return to: **Michigan Department of Treasury, Lansing, MI 48929**

2019 MICHIGAN Homestead Property Tax Credit Claim MI-1040CR

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

Type or print in blue or black ink.

Attachment 05

1. Filer's First Name JOHN		M.I. U	Last Name SCARBOROUGH		2. Filer's Full Social Security No. (Example: 123-45-6789) XXX — XX — XXXX							
If a Joint Return, Spouse's First Name		M.I.	Last Name		3. Spouse's Full Social Security No. (Example: 123-45-6789) — —							
Home Address (Number, Street, P.O. Box). If using a P.O. Box, you must complete line 45. 123 APARTMENT ST.												
City or Town COMSTOCK PARK			State MI	ZIP Code 49429	School District Code (5 digits - see page 60) 41080							
5. Check the box(es) for which you or your spouse qualify (excluding dependents). If you qualify for both, see instructions.												
a. <input type="checkbox"/> Age 65 or older; or an unmarried spouse of a person who was 65 or older at the time of death.			b. <input type="checkbox"/> Deaf, blind, hemiplegic, paraplegic, quadriplegic, or totally and permanently disabled.									
6. 2019 FILING STATUS: Check one.		7. 2019 RESIDENCY STATUS: Check all that apply.			*If you checked box "c," enter dates of Michigan residency in 2019. Enter dates as MM-DD-YYYY (Example: 04-15-2019).							
a. <input checked="" type="checkbox"/> Single		a. <input checked="" type="checkbox"/> Resident			<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:50%;">FILER</th> <th style="width:50%;">SPOUSE</th> </tr> </thead> <tbody> <tr> <td>FROM: — — 2019</td> <td>— — 2019</td> </tr> <tr> <td>TO: — — 2019</td> <td>— — 2019</td> </tr> </tbody> </table>		FILER	SPOUSE	FROM: — — 2019	— — 2019	TO: — — 2019	— — 2019
FILER	SPOUSE											
FROM: — — 2019	— — 2019											
TO: — — 2019	— — 2019											
b. <input type="checkbox"/> Married filing jointly		b. <input type="checkbox"/> Nonresident										
c. <input type="checkbox"/> Married filing separately (Include Form 5049)		c. <input type="checkbox"/> Part-Year Resident *										

8. Homestead Status

Check here if the taxable value of your homestead includes unoccupied farmland classified as agricultural by your local assessor.

9. Homeowners: Enter the 2019 taxable value of your homestead (see instructions). **If you did not check box 8 above and your taxable value is greater than \$135,000, STOP; you are not eligible.**

	00
--	----

Farmers: enter the taxable value of your homestead, including eligible unoccupied farmland 9.

10. Property taxes levied on your home for 2019 (see instructions) or amount from line 51, 56 and/or 57

	00
--	----

11. **Renters:** Enter rent you paid for 2019 from line 53 and/or 55..... 11.

3,756	00
-------	----

12. Multiply line 11 by 23% (0.23)

864	00
-----	----

13. **Total.** Add lines 10 and 12

864	00
-----	----

TOTAL HOUSEHOLD RESOURCES. If filing a joint return, include income from both spouses. If married filing separately, you must include Form 5049.

14. Wages, salaries, tips, sick, strike and SUB pay, etc.	14.	15,000	00
15. All interest and dividend income (including nontaxable interest)	15.		00
16. Net business income (including net farm income). If negative enter "0"	16.		00
17. Net royalty or rent income. If negative enter "0"	17.		00
18. Retirement pension, annuity, and IRA benefits.	18.		00
19. Capital gains less capital losses, (see instructions).....	19.		00
20. Alimony and other taxable income Describe:	20.		00

21. Social Security, SSI, and/or railroad retirement benefits... ..	21.		00
22. Child support and foster parent payments.....	22.		00
23. Unemployment compensation.....	23.		00
24. Gifts received or expenses paid on your behalf.	24.		00
25. Other nontaxable income Describe:	25.		00
26. Workers'/veterans' disability compensation/pension benefits	26.		00
27. FIP and other MDHHS benefits (Do not include food assistance)	27.		00

28. **SUBTOTAL.** Add lines 14 through 27

SUBTOTAL

15,000	00
--------	----

Filer's Full Social Security Number

XXX	—	XX	—	XXXX
-----	---	----	---	------

29. Enter subtotal from line 28.....	29.	15,000	00
30. Other adjustments (see instructions). Describe: _____	30.		00
31. Medical insurance/HMO premiums you paid for you and your family (see instructions).....	31.		00
32. Add lines 30 and 31.....	32.		00
33. TOTAL HOUSEHOLD RESOURCES. Subtract line 32 from line 29. If more than \$60,000, STOP; you are not eligible for this credit.	33.	15,000	00
34. Multiply line 33 by 3.2% (0.032) or by the percent in Table 2 (see instructions). If negative, enter "0".	34.	480	00
35. Subtract line 34 from line 33 and enter the amount here. If line 34 is greater than line 33, enter "0" and STOP ; you are not eligible for this credit.	35.	384	00

PART 1: ALLOWABLE COMPUTATION Complete one of the sections below, either A, B, or C (see instructions).

SECTION A: SENIOR CLAIMANTS (if you checked only box 5a)

36. Enter amount from line 35.....	36.		00
37. Percentage from Table A (see instructions) that applies to the amount on line 33.....	37.		%
38. Multiply line 36 by line 37. Enter amount here and on line 42 (maximum \$1,500).....	38.		00

SECTION B: DISABLED CLAIMANTS (if you checked only box 5b, or both boxes 5a and 5b)

39. Enter amount from line 35 here and on line 42 (maximum \$1,500).....	39.		00
--	-----	--	----

SECTION C: ALL OTHER CLAIMANTS (if you did not check box 5a or 5b)

40. Enter amount from line 35.....	40.	384	00
41. Multiply amount on line 40 by 60% (0.60). Enter amount here and on line 42 (maximum \$1,500).	41.	230	00

PART 2: PROPERTY TAX CREDIT CALCULATION All filers must complete this section.

42. Enter amount from line 38, 39 or 41, or from Worksheet 3 (see instructions) for FIP/MDHHS recipients	42.	230	00
43. Percentage from Table B (see instructions) that applies to the amount on line 33.....	43.	100	%
44. PROPERTY TAX CREDIT. Multiply amount on line 42 by percentage on line 43. Enter amount here and if you file an MI-1040, carry this amount to MI-1040, line 25.	44.	230	00

NOTE: Seniors who pay rent (including rent paid to adult care facilities): Complete Worksheet 4 in the MI-1040 book and enter amount from worksheet on line 44 (maximum \$1,500).

Filer's Full Social Security Number

XXX — XX — XXXX

PART 3: HOMEOWNERS WHO MOVED IN 2019. Report on lines 45 and 46 the addresses of the homesteads for which you are claiming a credit. **Homesteads with a taxable value greater than \$135,000 are not eligible for this credit.**

45. Address where you lived on December 31, 2019, if different than reported on line 1 (Number, Street, City, State, ZIP Code).	Taxable Value	00
46. Address of homestead sold (moved from) during 2019 (Number, Street, City, State, ZIP Code).	Taxable Value	00

Homeowners who moved during 2019, complete lines 47 through 51.

- 47. Number of days occupied (total cannot be more than 365).....
- 48. Divide line 47 by 365 and enter percentage here
- 49. Property taxes levied for calendar year 2019
- 50. **Prorated property taxes.** Multiply line 49 by the percentages on line 48
- 51. **Taxes eligible for credit.** Add line 50, columns A and B. Enter here and on line 10

HOMESTEAD	
A. Moved Into	B. Moved From
	%
00	00
00	00
51.	00

PART 4: RENTERS

52.	A	B	C	D	E
	Address of Homestead You Rented (Number, Street, Apt. #, City, State, ZIP Code)	Landowner's Name and Address (City, State and ZIP Code)	# Months Rented	Monthly Rent	Total Rent Paid
	123 APARTMENT ST. COMSTOCK PARK, MI	LANDON LORDENBERGER	12	313 00	3,756 00
				00	00
53.	Total rent you paid (not more than 12 months). Add total rent for each period. Enter here and on line 11				53. 3,756 00

PART 5: ALTERNATE HOUSING FACILITIES (see instructions)

54. If you lived in one of these types of facilities for all or part of 2019, check the appropriate box and see instructions.

- a. Subsidized Housing: complete line 55. Enter result on line 11.
- b. Service Fee Housing: complete lines 55 and 56.

55. Enter the total rent you paid in 2019 while a resident of an Alternate Housing Facility. Do not include amounts paid on your behalf by a government agency..... 55. 00

56. If you checked box 54b, multiply line 55 by 10% (0.10) (see instructions). Enter here and on line 10..... 56. 00

57. **Special Housing:** If you lived in one of these types of facilities for all or part of 2019, check the appropriate box (see instructions).

- a. Cooperative Housing
- b. Home for the Aged
- c. Nursing Home

d. Adult Foster Care Home e. Paid Room and Board
Enter your prorated share of taxes from the type of facility checked on line 57 here and on line 10..... 57. 00

58. Name and Address (including City, State and ZIP Code) of Housing Facility, Landowner, or Care Facility if you completed lines 54 through 57.

DIRECT DEPOSIT

Deposit your refund directly to your financial institution! See instructions and complete parts a, b and c.

a. Routing Transit Number	b. Account Number	c. Type of Account
		1. <input type="checkbox"/> Checking 2. <input type="checkbox"/> Savings

Deceased Taxpayer. If Filer and/or Spouse died after December 31, 2018, enter dates below.
ENTER DATE OF DEATH ONLY. Example: 04-15-2019 (MM-DD-YYYY)

Filer	— —	Spouse	— —
-------	-----	--------	-----

Preparer Certification. I declare under penalty of perjury that this return is based on all information of which I have any knowledge.

Preparer's PTIN, FEIN or SSN

Taxpayer Certification. I declare under penalty of perjury that the information in this return and attachments is true and complete to the best of my knowledge.

Filer's Signature	Date
Spouse's Signature	Date

Preparer's Name (print or type)

Preparer's Business Name, Address and Telephone Number

By checking this box, I authorize Treasury to discuss my return with my preparer.

If you are also filing Form MI-1040, include this form behind it. If not, mail this form to: **Michigan Department of Treasury, Lansing, MI 48956**

2019 MICHIGAN Withholding Tax Schedule

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

Type or print in blue or black ink.

Attachment 13

INSTRUCTIONS: If you had Michigan income tax withheld in 2019, you must complete a *Withholding Tax Schedule* (Schedule W) to claim the withholding on your *Individual Income Tax Return* (MI-1040, line 29). Report military pay in Table 1 and military retirement benefits and taxable railroad retirement benefits (both Tier 1 and Tier 2) in Table 2 even if no Michigan tax was withheld. Include your completed Schedule W with Form MI-1040. See complete instructions on page 2 of this form. If you need additional space, include another Schedule W.

1. Filer's First Name JOHN	M.I.	Last Name SCARBOROUGH	2. Filer's Full Social Security No. (Example: 123-45-6789) XXX — XX — XXXX
If a Joint Return, Spouse's First Name	M.I.	Last Name	3. Spouse's Full Social Security No. (Example: 123-45-6789) — —

TABLE 1: MICHIGAN TAX WITHHELD OR MILITARY PAY REPORTED ON W-2, W-2G or CORRECTED W-2 FORMS

A		B	C	D		E	
Enter "X" for: Filer or Spouse		Employer's identification number (Example: 38-1234567)	Box c — Employer's name	Box 1 — Wages, tips, other compensation		Box 17 — Michigan income tax withheld	
<input checked="" type="checkbox"/>		XX-XXXXXXX	XYZ COMPANY	15	00	638	00
					00		00
					00		00
					00		00
					00		00
Enter Table 1 Subtotal from additional Schedule W forms (if applicable).....							00
4. SUBTOTAL. Enter total of Table 1, column E.....4.							638

TABLE 2: MICHIGAN TAX WITHHELD OR MILITARY RETIREMENT BENEFITS AND RAILROAD RETIREMENT BENEFITS (BOTH TIER 1 AND TIER 2) REPORTED ON 1099 FORMS

A		B	C	D		E	
Enter "X" for: Filer or Spouse		Payer's federal identification number (Example: 38-1234567)	Payer's name	Taxable pension distribution, misc. income, etc. (see inst.)		Michigan income tax withheld	
					00		00
					00		00
					00		00
					00		00
					00		00
Enter Table 2 Subtotal from additional Schedule W forms (if applicable).....							00
5. SUBTOTAL. Enter total of Table 2, column E.....5.							00
6. TOTAL. Add lines 4 and 5. Enter here and carry to MI-1040, line 29.....6.							638

Exhibit G

Form **1040**

Department of the Treasury—Internal Revenue Service (99)
U.S. Individual Income Tax Return

2019

OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

Filing Status

- Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying widow(er) (QW)

Check only one box. If you checked the MFS box, enter the name of spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent. ▶

Your first name and middle initial TIM J	Last name SMITH	Your social security number X X X X X X X X
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number
Home address (number and street). If you have a P.O. box, see instructions. 456 PAVED RD.		Apt. no. 2
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). JENISON, MI 49429		Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse
Foreign country name	Foreign province/state/county	Foreign postal code
If more than four dependents, see instructions and ✓ here ▶ <input type="checkbox"/>		

Standard Deduction

- Someone can claim: You as a dependent Your spouse as a dependent
 Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness

- You:** Were born before January 2, 1955 Are blind **Spouse:** Was born before January 2, 1955 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) ✓ if qualifies for (see instructions):	
				Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Standard Deduction for—
 • Single or Married filing separately, \$12,200
 • Married filing jointly or Qualifying widow(er), \$24,400
 • Head of household, \$18,350
 • If you checked any box under *Standard Deduction*, see instructions.

1 Wages, salaries, tips, etc. Attach Form(s) W-2		1	55,000
2a Tax-exempt interest	2a	b Taxable interest. Attach Sch. B if required	2b
3a Qualified dividends	3a	b Ordinary dividends. Attach Sch. B if required	3b
4a IRA distributions	4a	b Taxable amount.....	4b
c Pensions and annuities	4c	d Taxable amount.....	4d
5a Social security benefits	5a	b Taxable amount.....	5b
6 Capital gain or (loss). Attach Schedule D if required. If not required, check here			6
7a Other income from Schedule 1, line 9.....			7a
b Add lines 1, 2b, 3b, 4b, 4d, 5b, 6, and 7a. This is your total income			7b 55,000
8a Adjustments to income from Schedule 1, line 22.....			8a
b Subtract line 8a from line 7b. This is your adjusted gross income			8b 55,000
9 Standard deduction or itemized deductions (from Schedule A)	9		12,200
10 Qualified business income deduction. Attach Form 8995 or Form 8995-A	10		
11a Add lines 9 and 10			11a 12,200
b Taxable income. Subtract line 11a from line 8b. If zero or less, enter -0-			11b 42,800

12a	Tax (see inst.) Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/> 12a	5,280
b	Add Schedule 2, line 3, and line 12a and enter the total	12b 5,280
13a	Child tax credit or credit for other dependents	13a
b	Add Schedule 3, line 7, and line 13a and enter the total	13b
14	Subtract line 13b from line 12b. If zero or less, enter -0-	14 5,280
15	Other taxes, including self-employment tax, from Schedule 2, line 10	15
16	Add lines 14 and 15. This is your total tax	16 5,280
17	Federal income tax withheld from Forms W-2 and 1099	17 5,280
18	Other payments and refundable credits:	
a	Earned income credit (EIC)	18a
b	Additional child tax credit. Attach Schedule 8812	18b
c	American opportunity credit from Form 8863, line 8	18c
d	Schedule 3, line 14	18d
e	Add lines 18a through 18d. These are your total other payments and refundable credits	18e
19	Add lines 17 and 18e. These are your total payments	19 5,500

• If you have a qualifying child, attach Sch. EIC.
 • If you have nontaxable combat pay, see instructions.

Refund

20	If line 19 is more than line 16, subtract line 16 from line 19. This is the amount you overpaid	20 220
21a	Amount of line 20 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	21a 220
b	Routing number	c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
d	Account number	
22	Amount of line 20 you want applied to your 2020 estimated tax	22

Direct deposit? See instructions.

Amount You Owe

23	Amount you owe. Subtract line 19 from line 16. For details on how to pay, see instructions	23 NONE
24	Estimated tax penalty (see instructions)	24

Third Party Designee

Do you want to allow another person (other than your paid preparer) to discuss this return with the IRS? See instructions. **Yes.** Complete below. **No**

Designee's name Phone no. Personal identification number (PIN)

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation PARALEGAL	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) <input type="text"/>
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) <input type="text"/>
Phone no.	Email address		

Joint return? See instructions. Keep a copy for your records.

Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> 3rd Party Designee <input type="checkbox"/> Self-employed
Firm's name	Phone no.		Firm's EIN	
Firm's address				

2019 MICHIGAN Individual Income Tax Return MI-1040

Amended Return
(Include Schedule AMD)

Return is due April 15, 2020. Type or print in blue or black ink.

1. Filer's First Name TIM	M.I. J	Last Name SMITH	2. Filer's Full Social Security No. (Example: 123-45-6789) XXX XX XXXX
If a Joint Return, Spouse's First Name	M.I.	Last Name	3. Spouse's Full Social Security No. (Example: 123-45-6789) — —
Home Address (Number, Street, or P.O. Box) 456 PAVED RD.			4. School District Code (5 digits – see page 60) 70175
City or Town JENISON	State MI	ZIP Code 49429	

5. STATE CAMPAIGN FUND Check if you (and/or your spouse, if filing a joint return) want \$3 of your taxes to go to this fund. This will not increase your tax or reduce your refund. <table style="margin-left: 20px;"> <tr> <td>a. <input type="checkbox"/> Filer</td> </tr> <tr> <td>b. <input type="checkbox"/> Spouse</td> </tr> </table>	a. <input type="checkbox"/> Filer	b. <input type="checkbox"/> Spouse	6. FARMERS, FISHERMEN, OR SEAFARERS <input type="checkbox"/> Check this box if 2/3 of your income is from farming, fishing, or seafaring.
a. <input type="checkbox"/> Filer			
b. <input type="checkbox"/> Spouse			
7. 2019 FILING STATUS. Check one. a. <input checked="" type="checkbox"/> Single * If you check box "c," complete line 3 and enter spouse's full name below: <div style="border: 1px solid black; width: 200px; height: 20px; margin-left: 20px;"></div> b. <input type="checkbox"/> Married filing jointly c. <input type="checkbox"/> Married filing separately*	8. 2019 RESIDENCY STATUS. Check all that apply. a. <input type="checkbox"/> Resident b. <input type="checkbox"/> Nonresident * c. <input type="checkbox"/> Part-Year Resident * * If you check box "b" or "c," you must complete and include Schedule NR.		

9. EXEMPTIONS. NOTE: If someone else can claim you as a dependent, check box 9e, enter 0 on line 9a and enter \$1,500 on line 9e (see instr.).

a. Number of exemptions (see instructions)..... 9a.	0	x	\$4,400	9a.	00
b. Number of individuals who qualify for one of the following special exemptions: deaf, blind, hemiplegic, paraplegic, quadriplegic, or totally and permanently disabled..... 9b.	0	x	\$2,700	9b.	00
c. Number of qualified disabled veterans..... 9c.	0	x	\$400	9c.	00
d. Number of Certificates of Stillbirth from MDHHS (see instructions)..... 9d.	0	x	\$4,400	9d.	00
e. Claimed as dependent, see line 9NOTE above..... 9e.	<input type="checkbox"/>			9e.	00
f. Add lines 9a, 9b, 9c, 9d and 9e. Enter here and on line 15..... 9f.				9f.	00
10. Adjusted Gross Income from your U.S. Forms 1040 or 1040NR(see instructions)..... 10.				55,000	00
11. Additions from Schedule 1, line 9. Include Schedule 1 11.					00
12. Total. Add lines 10 and 11..... 12.				55,000	00
13. Subtractions from Schedule 1, line 28. Include Schedule 1 13.					00
14. Income subject to tax. Subtract line 13 from line 12. If line 13 is greater than line 12, enter "0"..... 14.				55,000	00
15. Exemption allowance. Enter amount from line 9f or Schedule NR, line 19..... 15.					00
16. Taxable income. Subtract line 15 from line 14. If line 15 is greater than line 14, enter "0"..... 16.				55,000	00
17. Tax. Multiply line 16 by 4.25% (0.0425)..... 17.				2,338	00

NON-REFUNDABLE CREDITS

	AMOUNT				CREDIT
18. Income Tax Imposed by government units outside Michigan. Include a copy of the return (see instructions)..... 18a.	00			18b.	00
19. Michigan Historic Preservation Tax Credit carryforward (see instructions)..... 19a.	00			19b.	00
20. Income Tax. Subtract the sum of lines 18b and 19b from line 17. If the sum of lines 18b and 19b is greater than line 17, enter "0"..... 20.				2,338	00

Filer's Full Social Security Number

XXX	—	XX	—	XXXX
-----	---	----	---	------

21. Enter amount of Income Tax from line 20.....	21.	2,338	00
22. Voluntary Contributions from Form 4642, line 10. Include Form 4642	22.		00
23. USE TAX. Use tax due on Internet, mail order or other out-of-state purchases from Worksheet 1 (see instructions)	23.	25	00
24. Total Tax Liability. Add lines 21, 22 and 23	24.	2,363	00

REFUNDABLE CREDITS AND PAYMENTS

25. Property Tax Credit. Include MI-1040CR or MI-1040CR-2	25.	505	00		
26. Farmland Preservation Tax Credit. Include MI-1040CR-5	26.		00		
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">FEDERAL</td> <td style="width: 50%; text-align: center;">MICHIGAN</td> </tr> </table>				FEDERAL	MICHIGAN
FEDERAL	MICHIGAN				
27. Earned Income Tax Credit. Multiply line 27a by 6% (0.06) and enter result on line 27b.....	27a.	00	00		
27b.			00		
28. Michigan Historic Preservation Tax Credit (refundable). Include Form 3581	28.		00		
29. Michigan tax withheld from Schedule W, line 6. Include Schedule W (do not submit W-2s)	29.	2,338	00		
30. Estimated tax, extension payments and 2018 credit forward	30.		00		
31. 2019 AMENDED RETURNS ONLY. Taxpayers completing an original 2019 return should skip to line 32. Amended returns must include Schedule AMD (see instructions) .					
31a. <input type="checkbox"/> If you had a refund and/or credit forward on the original return, check box 31a and enter this amount as a negative number on line 31c.					
31b. <input type="checkbox"/> If you paid with the original return, check box 31b and enter the amount paid with the original return, plus any additional tax paid after filing, as a positive number on line 31c. Do not include interest or penalty.	31c.		00		
32. Total refundable credits and payments. Add lines 25, 26, 27b, 28, 29, 30 and 31c	32.	2,843	00		

REFUND OR TAX DUE

33. If line 32 is less than line 24, subtract line 32 from line 24. If applicable, see instructions.	33.		00
Include interest <input style="width: 40px;" type="text"/> and penalty <input style="width: 40px;" type="text"/>		YOU OWE	
34. Overpayment. If line 32 is greater than line 24, subtract line 24 from line 32	34.	480	00
35. Credit Forward. Amount of line 34 to be credited to your 2020 estimated tax for your 2020 tax return ...	35.		00
36. Subtract line 35 from line 34.....	36.	REFUND	480

DIRECT DEPOSIT

Deposit your refund directly to your financial institution! See instructions and complete a, b and c.

a. Routing Transit Number	b. Account Number	c. Type of Account
<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	1. <input type="checkbox"/> Checking 2. <input type="checkbox"/> Savings

Deceased Taxpayer. If Filer and/or Spouse died after December 31, 2018, enter dates below. **ENTER DATE OF DEATH ONLY.** Example: 04-15-2019 (MM-DD-YYYY)

Filer	— —	Spouse	— —
-------	-----	--------	-----

Taxpayer Certification. I declare under penalty of perjury that the information in this return and attachments is true and complete to the best of my knowledge.

Filer's Signature	Date
Spouse's Signature	Date

By checking this box, I authorize Treasury to discuss my return with my preparer.

Preparer Certification. I declare under penalty of perjury that this return is based on all information of which I have any knowledge.

Preparer's PTIN, FEIN or SSN
Preparer's Name (print or type)
Preparer's Business Name, Address and Telephone Number

Refund, credit, or zero returns. Mail your return to: **Michigan Department of Treasury, Lansing, MI 48956**
Pay amount on line 33 (see instructions). Mail your check and return to: **Michigan Department of Treasury, Lansing, MI 48929**

2019 MICHIGAN Homestead Property Tax Credit Claim MI-1040CR

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

Type or print in blue or black ink.

Attachment 05

1. Filer's First Name TIM		M.I. J	Last Name SMITH		2. Filer's Full Social Security No. (Example: 123-45-6789) XXX — XX — XXXX							
If a Joint Return, Spouse's First Name		M.I.	Last Name		3. Spouse's Full Social Security No. (Example: 123-45-6789) — —							
Home Address (Number, Street, P.O. Box). If using a P.O. Box, you must complete line 45. 456 PAVED RD.												
City or town JENISON			State MI	ZIP Code 49429	4. School District Code (5 digits - see page 60) 70175							
5. Check the box(es) for which you or your spouse qualify (excluding dependents). If you qualify for both, see instructions.												
a. <input type="checkbox"/> Age 65 or older; or an unmarried spouse of a person who was 65 or older at the time of death.			b. <input type="checkbox"/> Deaf, blind, hemiplegic, paraplegic, quadriplegic, or totally and permanently disabled.									
6. 2019 FILING STATUS: Check one.		7. 2019 RESIDENCY STATUS: Check all that apply.			*If you checked box "c," enter dates of Michigan residency in 2019. Enter dates as MM-DD-YYYY (Example: 04-15-2019).							
a. <input checked="" type="checkbox"/> Single		a. <input checked="" type="checkbox"/> Resident			<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:50%;">FILER</th> <th style="width:50%;">SPOUSE</th> </tr> </thead> <tbody> <tr> <td>FROM: — — 2019</td> <td>— — 2019</td> </tr> <tr> <td>TO: — — 2019</td> <td>— — 2019</td> </tr> </tbody> </table>		FILER	SPOUSE	FROM: — — 2019	— — 2019	TO: — — 2019	— — 2019
FILER	SPOUSE											
FROM: — — 2019	— — 2019											
TO: — — 2019	— — 2019											
b. <input type="checkbox"/> Married filing jointly		b. <input type="checkbox"/> Nonresident										
c. <input type="checkbox"/> Married filing separately (Include Form 5049)		c. <input type="checkbox"/> Part-Year Resident *										

8. Homestead Status

Check here if the taxable value of your homestead includes unoccupied farmland classified as agricultural by your local assessor.

9. Homeowners: Enter the 2019 taxable value of your homestead (see instructions). **If you did not check box 8 above and your taxable value is greater than \$135,000, STOP; you are not eligible.**

Farmers: enter the taxable value of your homestead, including eligible unoccupied farmland 9.

	00
	00

10. Property taxes levied on your home for 2019 (see instructions) or amount from line 51, 56 and/or 57 10.

	00
--	----

11. **Renters:** Enter rent you paid for 2019 from line 53 and/or 55..... 11.

13,752	00
--------	----

12. Multiply line 11 by 23% (0.23) 12.

3,163	00
-------	----

13. **Total.** Add lines 10 and 12 13.

3,163	00
-------	----

TOTAL HOUSEHOLD RESOURCES. If filing a joint return, include income from both spouses. If married filing separately, you must include Form 5049.

<p>14. Wages, salaries, tips, sick, strike and SUB pay, etc. 14. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%; text-align: right;">55,000</td><td style="width:20%; text-align: right;">00</td></tr></table></p> <p>15. All interest and dividend income (including nontaxable interest). 15. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%;"></td><td style="width:20%; text-align: right;">00</td></tr></table></p> <p>16. Net business income (including net farm income). If negative enter "0" 16. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%;"></td><td style="width:20%; text-align: right;">00</td></tr></table></p> <p>17. Net royalty or rent income. If negative enter "0" 17. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%;"></td><td style="width:20%; text-align: right;">00</td></tr></table></p> <p>18. Retirement pension, annuity, and IRA benefits. 18. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%;"></td><td style="width:20%; text-align: right;">00</td></tr></table></p> <p>19. Capital gains less capital losses, (see instructions)..... 19. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%;"></td><td style="width:20%; text-align: right;">00</td></tr></table></p> <p>20. Alimony and other taxable income Describe: _____ 20. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%;"></td><td style="width:20%; text-align: right;">00</td></tr></table></p>	55,000	00		00		00		00		00		00		00	<p>21. Social Security, SSI, and/or railroad retirement benefits... 21. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%;"></td><td style="width:20%; text-align: right;">00</td></tr></table></p> <p>22. Child support and foster parent payments..... 22. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%;"></td><td style="width:20%; text-align: right;">00</td></tr></table></p> <p>23. Unemployment compensation..... 23. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%;"></td><td style="width:20%; text-align: right;">00</td></tr></table></p> <p>24. Gifts received or expenses paid on your behalf. 24. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%;"></td><td style="width:20%; text-align: right;">00</td></tr></table></p> <p>25. Other nontaxable income Describe: _____ 25. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%;"></td><td style="width:20%; text-align: right;">00</td></tr></table></p> <p>26. Workers'/veterans' disability compensation/pension benefits 26. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%;"></td><td style="width:20%; text-align: right;">00</td></tr></table></p> <p>27. FIP and other MDHHS benefits (Do not include food assistance) 27. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%;"></td><td style="width:20%; text-align: right;">00</td></tr></table></p>		00		00		00		00		00		00		00
55,000	00																												
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28. SUBTOTAL. Add lines 14 through 27 SUBTOTAL 28. <table border="1" style="width:100%; border-collapse: collapse;"><tr><td style="width:80%; text-align: right;">55,000</td><td style="width:20%; text-align: right;">00</td></tr></table>		55,000	00																										
55,000	00																												

Continue on page 2. This form cannot be

processed if pages 2 and 3 are not completed and included.

Filer's Full Social Security Number

XXX	—	XX	—	XXXX
-----	---	----	---	------

29. Enter subtotal from line 28.....	29.	55,000	00
30. Other adjustments (see instructions). Describe: _____	30.		00
31. Medical insurance/HMO premiums you paid for you and your family (see instructions).....	31.		00
32. Add lines 30 and 31.....	32.		00
33. TOTAL HOUSEHOLD RESOURCES. Subtract line 32 from line 29. If more than \$60,000, STOP; you are not eligible for this credit.	33.	55,000	00
34. Multiply line 33 by 3.2% (0.032) or by the percent in Table 2 (see instructions). If negative, enter "0".	34.	1,760	00
35. Subtract line 34 from line 33 and enter the amount here. If line 34 is greater than line 33, enter "0" and STOP ; you are not eligible for this credit.	35.	1,403	00

PART 1: ALLOWABLE COMPUTATION Complete one of the sections below, either A, B, or C (see instructions).

SECTION A: SENIOR CLAIMANTS (if you checked only box 5a)

36. Enter amount from line 35.....	36.		00
37. Percentage from Table A (see instructions) that applies to the amount on line 33.....	37.		%
38. Multiply line 36 by line 37. Enter amount here and on line 42 (maximum \$1,500).....	38.		00

SECTION B: DISABLED CLAIMANTS (if you checked only box 5b, or both boxes 5a and 5b)

39. Enter amount from line 35 here and on line 42 (maximum \$1,500).....	39.		00
--	-----	--	----

SECTION C: ALL OTHER CLAIMANTS (if you did not check box 5a or 5b)

40. Enter amount from line 35.....	40.	1,403	00
41. Multiply amount on line 40 by 60% (0.60). Enter amount here and on line 42 (maximum \$1,500).	41.	842	00

PART 2: PROPERTY TAX CREDIT CALCULATION All filers must complete this section.

42. Enter amount from line 38, 39 or 41, or from Worksheet 3 (see instructions) for FIP/MDHHS recipients	42.	842	00
43. Percentage from Table B (see instructions) that applies to the amount on line 33.....	43.		60%
44. PROPERTY TAX CREDIT. Multiply amount on line 42 by percentage on line 43. Enter amount here and if you file an MI-1040, carry this amount to MI-1040, line 25.	44.	505	00

NOTE: Seniors who pay rent (including rent paid to adult care facilities): Complete Worksheet 4 in the MI-1040 book and enter amount from worksheet on line 44 (maximum \$1,500).

Filer's Full Social Security Number

XXX — XX — XXXX

PART 3: HOMEOWNERS WHO MOVED IN 2019. Report on lines 45 and 46 the addresses of the homesteads for which you are claiming a credit. **Homesteads with a taxable value greater than \$135,000 are not eligible for this credit.**

45. Address where you lived on December 31, 2019, if different than reported on line 1 (Number, Street, City, State, ZIP Code).	Taxable Value	00
46. Address of homestead sold (moved from) during 2019 (Number, Street, City, State, ZIP Code).	Taxable Value	00

Homeowners who moved during 2019, complete lines 47 through 51.

- 47. Number of days occupied (total cannot be more than 365).....
- 48. Divide line 47 by 365 and enter percentage here
- 49. Property taxes levied for calendar year 2019
- 50. **Prorated property taxes.** Multiply line 49 by the percentages on line 48
- 51. **Taxes eligible for credit.** Add line 50, columns A and B. Enter here and on line 10

HOMESTEAD	
A. Moved Into	B. Moved From
	%
00	00
00	00
51.	00

PART 4: RENTERS

52.	A	B	C	D	E
	Address of Homestead You Rented (Number, Street, Apt. #, City, State, ZIP Code)	Landowner's Name and Address (City, State and ZIP Code)	# Months Rented	Monthly Rent	Total Rent Paid
	456 PAVED RD.	ART PARTMAN	12	1,145 00	13,752 00
				00	00
53.	Total rent you paid (not more than 12 months). Add total rent for each period. Enter here and on line 11				13,752 00

PART 5: ALTERNATE HOUSING FACILITIES (see instructions)

54. If you lived in one of these types of facilities for all or part of 2019, check the appropriate box and see instructions.

- a. Subsidized Housing: complete line 55. Enter result on line 11.
- b. Service Fee Housing: complete lines 55 and 56.

55. Enter the total rent you paid in 2019 while a resident of an Alternate Housing Facility. Do not include amounts paid on your behalf by a government agency..... 55. 00

56. If you checked box 54b, multiply line 55 by 10% (0.10) (see instructions). Enter here and on line 10..... 56. 00

57. **Special Housing:** If you lived in one of these types of facilities for all or part of 2019, check the appropriate box (see instructions).

- a. Cooperative Housing
- b. Home for the Aged
- c. Nursing Home

d. Adult Foster Care Home e. Paid Room and Board
Enter your prorated share of taxes from the type of facility checked on line 57 here and on line 10..... 57. 00

58. Name and Address (including City, State and ZIP Code) of Housing Facility, Landowner, or Care Facility if you completed lines 54 through 57.

DIRECT DEPOSIT

Deposit your refund directly to your financial institution! See instructions and complete parts a, b and c.

a. Routing Transit Number	b. Account Number	c. Type of Account
		1. <input type="checkbox"/> Checking 2. <input type="checkbox"/> Savings

Deceased Taxpayer. If Filer and/or Spouse died after December 31, 2018, enter dates below.
ENTER DATE OF DEATH ONLY. Example: 04-15-2019 (MM-DD-YYYY)

Filer	— —	Spouse	— —
-------	-----	--------	-----

Preparer Certification. I declare under penalty of perjury that this return is based on all information of which I have any knowledge.

Preparer's PTIN, FEIN or SSN

Taxpayer Certification. I declare under penalty of perjury that the information in this return and attachments is true and complete to the best of my knowledge.

Filer's Signature	Date
Spouse's Signature	Date

Preparer's Name (print or type)

Preparer's Business Name, Address and Telephone Number

By checking this box, I authorize Treasury to discuss my return with my preparer.

If you are also filing Form MI-1040, include this form behind it. If not, mail this form to: **Michigan Department of Treasury, Lansing, MI 48956**

2019 MICHIGAN Withholding Tax Schedule

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

Type or print in blue or black ink.

Attachment 13

INSTRUCTIONS: If you had Michigan income tax withheld in 2019, you must complete a *Withholding Tax Schedule* (Schedule W) to claim the withholding on your *Individual Income Tax Return* (MI-1040, line 29). Report military pay in Table 1 and military retirement benefits and taxable railroad retirement benefits (both Tier 1 and Tier 2) in Table 2 even if no Michigan tax was withheld. Include your completed Schedule W with Form MI-1040. See complete instructions on page 2 of this form. If you need additional space, include another Schedule W.

1. Filer's First Name TIM	M.I. J	Last Name SMITH	2. Filer's Full Social Security No. (Example: 123-45-6789) XXX — XX — XXXX
If a Joint Return, Spouse's First Name	M.I.	Last Name	3. Spouse's Full Social Security No. (Example: 123-45-6789) — —

TABLE 1: MICHIGAN TAX WITHHELD OR MILITARY PAY REPORTED ON W-2, W-2G or CORRECTED W-2 FORMS

A		B	C	D		E		
Enter "X" for: Filer or Spouse		Employer's identification number (Example: 38-1234567)	Box c — Employer's name	Box 1 — Wages, tips, other compensation		Box 17 — Michigan income tax withheld		
<input checked="" type="checkbox"/>		XX-XXXXXXX	LAWYER & LAWYER LLP.	55,000	00	2,338	00	
					00		00	
					00		00	
					00		00	
					00		00	
Enter Table 1 Subtotal from additional Schedule W forms (if applicable).....								00
4. SUBTOTAL. Enter total of Table 1, column E.....4.							2,338	00

TABLE 2: MICHIGAN TAX WITHHELD OR MILITARY RETIREMENT BENEFITS AND RAILROAD RETIREMENT BENEFITS (BOTH TIER 1 AND TIER 2) REPORTED ON 1099 FORMS

A		B	C	D		E		
Enter "X" for: Filer or Spouse		Payer's federal identification number (Example: 38-1234567)	Payer's name	Taxable pension distribution, misc. income, etc. (see inst.)		Michigan income tax withheld		
					00		00	
					00		00	
					00		00	
					00		00	
					00		00	
Enter Table 2 Subtotal from additional Schedule W forms (if applicable).....								00
5. SUBTOTAL. Enter total of Table 2, column E.....5.								00
6. TOTAL. Add lines 4 and 5. Enter here and carry to MI-1040, line 29.....6.							2,338	00

Exhibit H

Form **1040**

Department of the Treasury—Internal Revenue Service (99)
U.S. Individual Income Tax Return

2019

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space.

Filing Status

- Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying widow(er) (QW)

Check only one box.

If you checked the MFS box, enter the name of spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent. ▶

Your first name and middle initial JAMES C	Last name DUBOIS	Your social security number X X X X X X X X
If joint return, spouse's first name and middle initial STEPHANIE M	Last name DUBOIS	Spouse's social security number X X X X X X X X
Home address (number and street). If you have a P.O. box, see instructions. 5107 MILDRED AVENUE, SE		Apt. no.
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). KENTWOOD, MI 49508		Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse
Foreign country name	Foreign province/state/county	Foreign postal code
If more than four dependents, see instructions and ✓ here ▶ <input type="checkbox"/>		

Standard Deduction

- Someone can claim: You as a dependent Your spouse as a dependent
 Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness

- You: Were born before January 2, 1955 Are blind Spouse: Was born before January 2, 1955 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) ✓ if qualifies for (see instructions):	
				Child tax credit	Credit for other dependents
MICHAEL DUBOIS		X X X X X X X X	SON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUSAN DUBOIS		X X X X X X X X	DAUGHTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

1 Wages, salaries, tips, etc. Attach Form(s) W-2		1	90,000
2a Tax-exempt interest	2a	b Taxable interest. Attach Sch. B if required	2b
3a Qualified dividends	3a	b Ordinary dividends. Attach Sch. B if required	3b
4a IRA distributions	4a	b Taxable amount	4b
c Pensions and annuities	4c	d Taxable amount	4d
5a Social security benefits	5a	b Taxable amount	5b
6 Capital gain or (loss). Attach Schedule D if required. If not required, check here			6
7a Other income from Schedule 1, line 9			7a
b Add lines 1, 2b, 3b, 4b, 4d, 5b, 6, and 7a. This is your total income			7b 90,000
8a Adjustments to income from Schedule 1, line 22			8a
b Subtract line 8a from line 7b. This is your adjusted gross income			8b 90,000
9 Standard deduction or itemized deductions (from Schedule A)	9		24,400
10 Qualified business income deduction. Attach Form 8995 or Form 8995-A	10		
11a Add lines 9 and 10			11a 24,400
b Taxable income. Subtract line 11a from line 8b. If zero or less, enter -0-			11b 65,600

Standard Deduction for—

- Single or Married filing separately, \$12,200
- Married filing jointly or Qualifying widow(er), \$24,400
- Head of household, \$18,350
- If you checked any box under *Standard Deduction*, see instructions.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 11320B

Form **1040** (2019)

12a	Tax (see inst.) Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/>	12a	7,487		
b	Add Schedule 2, line 3, and line 12a and enter the total	12b	7,487		
13a	Child tax credit or credit for other dependents	13a	4,000		
b	Add Schedule 3, line 7, and line 13a and enter the total	13b	4,000		
14	Subtract line 13b from line 12b. If zero or less, enter -0-	14	3,487		
15	Other taxes, including self-employment tax, from Schedule 2, line 10	15			
16	Add lines 14 and 15. This is your total tax	16	3,487		
17	Federal income tax withheld from Forms W-2 and 1099	17	9,000		
18	Other payments and refundable credits:				
a	Earned income credit (EIC)	18a			
b	Additional child tax credit. Attach Schedule 8812	18b			
c	American opportunity credit from Form 8863, line 8	18c			
d	Schedule 3, line 14	18d			
e	Add lines 18a through 18d. These are your total other payments and refundable credits	18e	NONE		
19	Add lines 17 and 18e. These are your total payments	19	9,000		

• If you have a qualifying child, attach Sch. EIC.
 • If you have nontaxable combat pay, see instructions.

Refund

20	If line 19 is more than line 16, subtract line 16 from line 19. This is the amount you overpaid	20	5,513		
21a	Amount of line 20 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	21a	5,513		
b	Routing number	c	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
d	Account number				
22	Amount of line 20 you want applied to your 2020 estimated tax	22			

Direct deposit? See instructions.

Amount You Owe

23	Amount you owe. Subtract line 19 from line 16. For details on how to pay, see instructions	23	NONE		
24	Estimated tax penalty (see instructions)	24			

Third Party Designee

Do you want to allow another person (other than your paid preparer) to discuss this return with the IRS? See instructions. **Yes.** Complete below. **No**

(Other than paid preparer) Designee's name Phone no. Personal identification number (PIN)

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation CARPENTER	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) <input type="text"/>
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation BOTANIST	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) <input type="text"/>
Phone no.	Email address		

Joint return? See instructions. Keep a copy for your records.

Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> 3rd Party Designee <input type="checkbox"/> Self-employed
Firm's name	Phone no.		Firm's EIN	
Firm's address				

2019 MICHIGAN Individual Income Tax Return MI-1040

Amended Return
(Include Schedule AMD)

Return is due April 15, 2020. Type or print in blue or black ink.

1. Filer's First Name JAMES	M.I. C	Last Name DUBOIS	2. Filer's Full Social Security No. (Example: 123-45-6789) XXX XX XXXX
If a Joint Return, Spouse's First Name STEPHANIE	M.I. M	Last Name DUBOIS	3. Spouse's Full Social Security No. (Example: 123-45-6789) XXX XX XXXX
Home Address (Number, Street, or P.O. Box) 5107 MILDRED AVE. SE			4. School District Code (5 digits – see page 60) 41160
City or Town KENTWOOD		State MI	ZIP Code 49508
5. STATE CAMPAIGN FUND Check if you (and/or your spouse, if filing a joint return) want \$3 of your taxes to go to this fund. This will not increase your tax or reduce your refund.		6. FARMERS, FISHERMEN, OR SEAFARERS <input type="checkbox"/> Check this box if 2/3 of your income is from farming, fishing, or seafaring.	
7. 2019 FILING STATUS. Check one. a. <input type="checkbox"/> Single b. <input checked="" type="checkbox"/> Married filing jointly c. <input type="checkbox"/> Married filing separately*		8. 2019 RESIDENCY STATUS. Check all that apply. a. <input checked="" type="checkbox"/> Resident b. <input type="checkbox"/> Nonresident * c. <input type="checkbox"/> Part-Year Resident *	

9. EXEMPTIONS. NOTE: If someone else can claim you as a dependent, check box 9e, enter 0 on line 9a and enter \$1,500 on line 9e (see instr.).

a. Number of exemptions (see instructions)..... 9a.	0	x \$4,400	9a.	00
b. Number of individuals who qualify for one of the following special exemptions: deaf, blind, hemiplegic, paraplegic, quadriplegic, or totally and permanently disabled..... 9b.	0	x \$2,700	9b.	00
c. Number of qualified disabled veterans..... 9c.	0	x \$400	9c.	00
d. Number of Certificates of Stillbirth from MDHHS (see instructions)..... 9d.	0	x \$4,400	9d.	00
e. Claimed as dependent, see line 9NOTE above..... 9e.	<input type="checkbox"/>		9e.	00
f. Add lines 9a, 9b, 9c, 9d and 9e. Enter here and on line 15..... 9f.			9f.	00

10. Adjusted Gross Income from your U.S. Forms 1040 or 1040NR(see instructions)..... 10.	90,000	00
11. Additions from Schedule 1, line 9. Include Schedule 1 11.		00
12. Total. Add lines 10 and 11..... 12.	90,000	00
13. Subtractions from Schedule 1, line 28. Include Schedule 1 13.		00
14. Income subject to tax. Subtract line 13 from line 12. If line 13 is greater than line 12, enter "0"..... 14.	90,000	00
15. Exemption allowance. Enter amount from line 9f or Schedule NR, line 19..... 15.		00
16. Taxable income. Subtract line 15 from line 14. If line 15 is greater than line 14, enter "0"..... 16.	90,000	00
17. Tax. Multiply line 16 by 4.25% (0.0425)..... 17.	3,825	00

NON-REFUNDABLE CREDITS

	AMOUNT		CREDIT	
18. Income Tax Imposed by government units outside Michigan. Include a copy of the return (see instructions)..... 18a.	00	18b.	00	
19. Michigan Historic Preservation Tax Credit carryforward (see instructions)..... 19a.	00	19b.	00	
20. Income Tax. Subtract the sum of lines 18b and 19b from line 17. If the sum of lines 18b and 19b is greater than line 17, enter "0"..... 20.		20.	3,825	00

Filer's Full Social Security Number

XXX	—	XX	—	XXXX
-----	---	----	---	------

21. Enter amount of Income Tax from line 20.....	21.	3,825	00
22. Voluntary Contributions from Form 4642, line 10. Include Form 4642	22.		00
23. USE TAX. Use tax due on Internet, mail order or other out-of-state purchases from Worksheet 1 (see instructions)	23.	35	00
24. Total Tax Liability. Add lines 21, 22 and 23	24.	3,860	00

REFUNDABLE CREDITS AND PAYMENTS

25. Property Tax Credit. Include MI-1040CR or MI-1040CR-2	25.		00
26. Farmland Preservation Tax Credit. Include MI-1040CR-5	26.		00
27. Earned Income Tax Credit. Multiply line 27a by 6% (0.06) and enter result on line 27b.	27a.	00	27b.
28. Michigan Historic Preservation Tax Credit (refundable). Include Form 3581	28.		00
29. Michigan tax withheld from Schedule W, line 6. Include Schedule W (do not submit W-2s)	29.	3,825	00
30. Estimated tax, extension payments and 2018 credit forward	30.		00
31. 2019 AMENDED RETURNS ONLY. Taxpayers completing an original 2019 return should skip to line 32. Amended returns must include Schedule AMD (see instructions) .			
31a. <input type="checkbox"/> If you had a refund and/or credit forward on the original return, check box 31a and enter this amount as a negative number on line 31c.			
31b. <input type="checkbox"/> If you paid with the original return, check box 31b and enter the amount paid with the original return, plus any additional tax paid after filing, as a positive number on line 31c. Do not include interest or penalty.	31c.		00
32. Total refundable credits and payments. Add lines 25, 26, 27b, 28, 29, 30 and 31c	32.	3,825	00

REFUND OR TAX DUE

33. If line 32 is less than line 24, subtract line 32 from line 24. If applicable, see instructions.	33.		00
Include interest <input type="text"/> 00 and penalty <input type="text"/> 00		YOU OWE	35
34. Overpayment. If line 32 is greater than line 24, subtract line 24 from line 32	34.		00
35. Credit Forward. Amount of line 34 to be credited to your 2020 estimated tax for your 2020 tax return ...	35.		00
36. Subtract line 35 from line 34	36.	REFUND	00

DIRECT DEPOSIT

Deposit your refund directly to your financial institution! See instructions and complete a, b and c.

a. Routing Transit Number	b. Account Number	c. Type of Account
		1. <input type="checkbox"/> Checking 2. <input type="checkbox"/> Savings

Deceased Taxpayer. If Filer and/or Spouse died after December 31, 2018, enter dates below. **ENTER DATE OF DEATH ONLY.** Example: 04-15-2019 (MM-DD-YYYY)

Filer	— —	Spouse	— —
-------	-----	--------	-----

Preparer Certification. I declare under penalty of perjury that this return is based on all information of which I have any knowledge.

Preparer's PTIN, FEIN or SSN

Taxpayer Certification. I declare under penalty of perjury that the information in this return and attachments is true and complete to the best of my knowledge.

Filer's Signature	Date
Spouse's Signature	Date

Preparer's Name (print or type)

Preparer's Business Name, Address and Telephone Number

By checking this box, I authorize Treasury to discuss my return with my preparer.

Refund, credit, or zero returns. Mail your return to:

Michigan Department of Treasury, Lansing, MI 48956

Pay amount on line 33 (see instructions). Mail your check and return to:

Michigan Department of Treasury, Lansing, MI 48929

2019 MICHIGAN Withholding Tax Schedule

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

Type or print in blue or black ink.

Attachment 13

INSTRUCTIONS: If you had Michigan income tax withheld in 2019, you must complete a *Withholding Tax Schedule* (Schedule W) to claim the withholding on your *Individual Income Tax Return* (MI-1040, line 29). Report military pay in Table 1 and military retirement benefits and taxable railroad retirement benefits (both Tier 1 and Tier 2) in Table 2 even if no Michigan tax was withheld. Include your completed Schedule W with Form MI-1040. See complete instructions on page 2 of this form. If you need additional space, include another Schedule W.

1. Filer's First Name JAMES	M.I. C	Last Name DUBOIS	2. Filer's Full Social Security No. (Example: 123-45-6789) XXX — XX — XXXX
If a Joint Return, Spouse's First Name STEPHANIE	M.I. M	Last Name DUBOIS	3. Spouse's Full Social Security No. (Example: 123-45-6789) XXX — XX — XXXX

TABLE 1: MICHIGAN TAX WITHHELD OR MILITARY PAY REPORTED ON W-2, W-2G or CORRECTED W-2 FORMS

A Enter "X" for: Filer or Spouse	B Employer's identification number (Example: 38-1234567)	C Box c — Employer's name	D Box 1 — Wages, tips, other compensation	E Box 17 — Michigan income tax withheld
<input checked="" type="checkbox"/>	XX-XXXXXXX	TIMMY'S TABLES	45,000 00	1,913 00
<input checked="" type="checkbox"/>	XX-XXXXXXX	BANANA BOTANY	45,000 00	1,912 00
			00	00
			00	00
			00	00
Enter Table 1 Subtotal from additional Schedule W forms (if applicable).....				00
4. SUBTOTAL. Enter total of Table 1, column E.....4.				3,825 00

TABLE 2: MICHIGAN TAX WITHHELD OR MILITARY RETIREMENT BENEFITS AND RAILROAD RETIREMENT BENEFITS (BOTH TIER 1 AND TIER 2) REPORTED ON 1099 FORMS

A Enter "X" for: Filer or Spouse	B Payer's federal identification number (Example: 38-1234567)	C Payer's name	D Taxable pension distribution, misc. income, etc. (see inst.)	E Michigan income tax withheld
			00	00
			00	00
			00	00
			00	00
			00	00
Enter Table 2 Subtotal from additional Schedule W forms (if applicable).....				00
5. SUBTOTAL. Enter total of Table 2, column E.....5.				00
6. TOTAL. Add lines 4 and 5. Enter here and carry to MI-1040, line 29.....6.				3,825 00

Exhibit I

Form **1040**

Department of the Treasury—Internal Revenue Service (99)
U.S. Individual Income Tax Return

2019

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space.

Filing Status

Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying widow(er) (QW)

Check only one box.

If you checked the MFS box, enter the name of spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent. ▶

Your first name and middle initial CLAUS L	Last name ANDERSON	Your social security number X X X X X X X X
If joint return, spouse's first name and middle initial MIRIAM J	Last name ANDERSON	Spouse's social security number X X X X X X X X
Home address (number and street). If you have a P.O. box, see instructions. 2740 LAKE DR SE		Apt. no.
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). EAST GRAND RAPIDS, MI 49506		Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse
Foreign country name	Foreign province/state/county	Foreign postal code
If more than four dependents, see instructions and <input type="checkbox"/> here ▶		

Standard Deduction

Someone can claim: You as a dependent Your spouse as a dependent
 Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness

You: Were born before January 2, 1955 Are blind Spouse: Was born before January 2, 1955 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) <input checked="" type="checkbox"/> if qualifies for (see instructions):	
				Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Standard Deduction for—
 • Single or Married filing separately, \$12,200
 • Married filing jointly or Qualifying widow(er), \$24,400
 • Head of household, \$18,350
 • If you checked any box under Standard Deduction, see instructions.

1 Wages, salaries, tips, etc. Attach Form(s) W-2		1	400,000
2a Tax-exempt interest	2a	b Taxable interest. Attach Sch. B if required	2b
3a Qualified dividends	3a 20,000	b Ordinary dividends. Attach Sch. B if required	3b 20,000
4a IRA distributions	4a	b Taxable amount	4b
c Pensions and annuities	4c	d Taxable amount	4d
5a Social security benefits	5a	b Taxable amount	5b
6 Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>		6	30,000
7a Other income from Schedule 1, line 9		7a	
b Add lines 1, 2b, 3b, 4b, 4d, 5b, 6, and 7a. This is your total income ▶		7b	450,000
8a Adjustments to income from Schedule 1, line 22		8a	
b Subtract line 8a from line 7b. This is your adjusted gross income ▶		8b	450,000
9 Standard deduction or itemized deductions (from Schedule A)	9 51,659		
10 Qualified business income deduction. Attach Form 8995 or Form 8995-A	10		
11a Add lines 9 and 10		11a	
b Taxable income. Subtract line 11a from line 8b. If zero or less, enter -0-		11b	398,341

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 11320B

Form **1040** (2019)

12a	Tax (see inst.) Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/>	12a	84,152		
b	Add Schedule 2, line 3, and line 12a and enter the total			12b	84,152
13a	Child tax credit or credit for other dependents	13a			
b	Add Schedule 3, line 7, and line 13a and enter the total			13b	
14	Subtract line 13b from line 12b. If zero or less, enter -0-			14	84,152
15	Other taxes, including self-employment tax, from Schedule 2, line 10			15	
16	Add lines 14 and 15. This is your total tax			16	84,152
17	Federal income tax withheld from Forms W-2 and 1099			17	80,000
18	Other payments and refundable credits:				
a	Earned income credit (EIC)	18a			
b	Additional child tax credit. Attach Schedule 8812	18b			
c	American opportunity credit from Form 8863, line 8	18c			
d	Schedule 3, line 14	18d			
e	Add lines 18a through 18d. These are your total other payments and refundable credits			18e	
19	Add lines 17 and 18e. These are your total payments			19	80,000

• If you have a qualifying child, attach Sch. EIC.
 • If you have nontaxable combat pay, see instructions.

Refund

Direct deposit? See instructions.

20	If line 19 is more than line 16, subtract line 16 from line 19. This is the amount you overpaid	20	
21a	Amount of line 20 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	21a	
b	Routing number	c	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
d	Account number		
22	Amount of line 20 you want applied to your 2020 estimated tax	22	

Amount You Owe

23	Amount you owe. Subtract line 19 from line 16. For details on how to pay, see instructions	23	4,152
24	Estimated tax penalty (see instructions)	24	

Third Party Designee

(Other than paid preparer)

Do you want to allow another person (other than your paid preparer) to discuss this return with the IRS? See instructions. **Yes.** Complete below. **No**

Designee's name Phone no. Personal identification number (PIN)

Sign Here

Joint return? See instructions. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation INVESTMENT BANKER	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) <input type="text"/>
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation HOMEMAKER	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) <input type="text"/>
Phone no.	Email address		

Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> 3rd Party Designee <input type="checkbox"/> Self-employed
Firm's name	Phone no.		Firm's EIN	
Firm's address				

Itemized Deductions

2019

Attachment
 Sequence No. **07**

► Go to www.irs.gov/ScheduleA for instructions and the latest information.
 ► Attach to Form 1040 or 1040-SR.

Caution: If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 16.

Name(s) shown on Form 1040 or 1040-SR

CLAUS L ANDERSON & MIRIAM J ANDERSON

Your social security number
XXX-XX-XXXX

Medical and Dental Expenses

Caution: Do not include expenses reimbursed or paid by others.

1	Medical and dental expenses (see instructions)	1	1,000
2	Enter amount from Form 1040 or 1040-SR, line 8b 2 <u>400,000</u>		
3	Multiply line 2 by 7.5% (0.075)	3	30,000
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4	0

Taxes You Paid

5	State and local taxes.		
a	State and local income taxes or general sales taxes. You may include either income taxes or general sales taxes on line 5a, but not both. If you elect to include general sales taxes instead of income taxes, check this box <input type="checkbox"/>	5a	1,956
b	State and local real estate taxes (see instructions)	5b	18,795
c	State and local personal property taxes	5c	
d	Add lines 5a through 5c	5d	20,751
e	Enter the smaller of line 5d or \$10,000 (\$5,000 if married filing separately)	5e	10,000
6	Other taxes. List type and amount ►	6	
7	Add lines 5e and 6	7	10,000

Interest You Paid

Caution: Your mortgage interest deduction may be limited (see instructions).

8	Home mortgage interest and points. If you didn't use all of your home mortgage loan(s) to buy, build, or improve your home, see instructions and check this box <input type="checkbox"/>		
a	Home mortgage interest and points reported to you on Form 1098. See instructions if limited	8a	21,659
b	Home mortgage interest not reported to you on Form 1098. See instructions if limited. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address	8b	
c	Points not reported to you on Form 1098. See instructions for special rules	8c	
d	Mortgage insurance premiums (see instructions)	8d	
e	Add lines 8a through 8d	8e	21,659
9	Investment interest. Attach Form 4952 if required. See instructions	9	
10	Add lines 8e and 9	10	21,659

Gifts to Charity

Caution: If you made a gift and got a benefit for it, see instructions.

11	Gifts by cash or check. If you made any gift of \$250 or more, see instructions	11	20,000
12	Other than by cash or check. If you made any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500	12	
13	Carryover from prior year	13	
14	Add lines 11 through 13	14	20,000

Casualty and Theft Losses

15	Casualty and theft loss(es) from a federally declared disaster (other than net qualified disaster losses). Attach Form 4684 and enter the amount from line 18 of that form. See instructions	15	
-----------	--	-----------	--

Other Itemized Deductions

16	Other—from list in instructions. List type and amount ►	16	
-----------	---	-----------	--

Total Itemized Deductions

17	Add the amounts in the far right column for lines 4 through 16. Also, enter this amount on Form 1040 or 1040-SR, line 9	17	51,659
18	If you elect to itemize deductions even though they are less than your standard deduction, check this box <input type="checkbox"/>		

SCHEDULE D
(Form 1040 or 1040-SR)

Capital Gains and Losses

OMB No. 1545-0074

2019

Attachment
Sequence No. **12**

Department of the Treasury
Internal Revenue Service (99)

▶ **Attach to Form 1040, 1040-SR, or 1040-NR.**
▶ **Go to www.irs.gov/ScheduleD for instructions and the latest information.**
▶ **Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.**

Name(s) shown on return

CLAUS L ANDERSON & MIRIAM J ANDERSON

Your social security number

XXX-XX-XXXX

Did you dispose of any investment(s) in a qualified opportunity fund during the tax year? **Yes** **No**

If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

Part I Short-Term Capital Gains and Losses—Generally Assets Held One Year or Less (see instructions)

See instructions for how to figure the amounts to enter on the lines below.
This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b .	30,000	15,000		15,000
1b Totals for all transactions reported on Form(s) 8949 with Box A checked				
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions				6 ()
7 Net short-term capital gain or (loss) . Combine lines 1a through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on the back				7 15,000

Part II Long-Term Capital Gains and Losses—Generally Assets Held More Than One Year (see instructions)

See instructions for how to figure the amounts to enter on the lines below.
This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b .	30,000	15,000		15,000
8b Totals for all transactions reported on Form(s) 8949 with Box D checked				
9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked.				
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				11
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				12
13 Capital gain distributions. See the instructions				13
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions				14 ()
15 Net long-term capital gain or (loss) . Combine lines 8a through 14 in column (h). Then go to Part III on the back				15 15,000

Part III Summary

16	Combine lines 7 and 15 and enter the result	16	30,000
	<ul style="list-style-type: none"> • If line 16 is a gain, enter the amount from line 16 on Form 1040 or 1040-SR, line 6; or Form 1040-NR, line 14. Then go to line 17 below. • If line 16 is a loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. • If line 16 is zero, skip lines 17 through 21 below and enter -0- on Form 1040 or 1040-SR, line 6; or Form 1040-NR, line 14. Then go to line 22. 		
17	Are lines 15 and 16 both gains? <input checked="" type="checkbox"/> Yes. Go to line 18. <input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.		
18	If you are required to complete the 28% Rate Gain Worksheet (see instructions), enter the amount, if any, from line 7 of that worksheet.....▶	18	
19	If you are required to complete the Unrecaptured Section 1250 Gain Worksheet (see instructions), enter the amount, if any, from line 18 of that worksheet.....▶	19	
20	Are lines 18 and 19 both zero or blank? <input checked="" type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Forms 1040 and 1040-SR, line 12a (or in the instructions for Form 1040-NR, line 42). Don't complete lines 21 and 22 below. <input type="checkbox"/> No. Complete the Schedule D Tax Worksheet in the instructions. Don't complete lines 21 and 22 below.		
21	If line 16 is a loss, enter here and on Form 1040 or 1040-SR, line 6; or Form 1040-NR, line 14, the smaller of: <ul style="list-style-type: none"> • The loss on line 16; or • (\$3,000), or if married filing separately, (\$1,500) } Note: When figuring which amount is smaller, treat both amounts as positive numbers.	21	()
22	Do you have qualified dividends on Form 1040 or 1040-SR, line 3a; or Form 1040-NR, line 10b? <input checked="" type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Forms 1040 and 1040-SR, line 12a (or in the instructions for Form 1040-NR, line 42). <input type="checkbox"/> No. Complete the rest of Form 1040, 1040-SR, or 1040-NR.		

Department of the Treasury
Internal Revenue Service (99)

► Go to www.irs.gov/Form6251 for instructions and the latest information.
► Attach to Form 1040, 1040-SR, or 1040-NR.

2019
Attachment
Sequence No. **32**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

CLAUS L ANDERSON & MIRIAM J ANDERSON

Your social security number

XXX-XX-XXXX

Part I Alternative Minimum Taxable Income (See instructions for how to complete each line.)

1	Enter the amount from Form 1040 or 1040-SR, line 11b, if more than zero. If Form 1040 or 1040-SR, line 11b, is zero, subtract lines 9 and 10 of Form 1040 or 1040-SR from line 8b of Form 1040 or 1040-SR and enter the result here. (If less than zero, enter as a negative amount.)	1	398,341
2a	If filing Schedule A (Form 1040 or 1040-SR), enter the taxes from Schedule A, line 7; otherwise, enter the amount from Form 1040 or 1040-SR, line 9.	2a	10,000
b	Tax refund from Schedule 1 (Form 1040 or 1040-SR), line 1 or line 8	2b	()
c	Investment interest expense (difference between regular tax and AMT)	2c	
d	Depletion (difference between regular tax and AMT)	2d	
e	Net operating loss deduction from Schedule 1 (Form 1040 or 1040-SR), line 8. Enter as a positive amount	2e	
f	Alternative tax net operating loss deduction	2f	()
g	Interest from specified private activity bonds exempt from the regular tax	2g	
h	Qualified small business stock, see instructions	2h	
i	Exercise of incentive stock options (excess of AMT income over regular tax income)	2i	
j	Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	2j	
k	Disposition of property (difference between AMT and regular tax gain or loss)	2k	
l	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	2l	
m	Passive activities (difference between AMT and regular tax income or loss)	2m	
n	Loss limitations (difference between AMT and regular tax income or loss)	2n	
o	Circulation costs (difference between regular tax and AMT).	2o	
p	Long-term contracts (difference between AMT and regular tax income)	2p	
q	Mining costs (difference between regular tax and AMT)	2q	
r	Research and experimental costs (difference between regular tax and AMT)	2r	
s	Income from certain installment sales before January 1, 1987	2s	()
t	Intangible drilling costs preference	2t	
3	Other adjustments, including income-based related adjustments	3	
4	Alternative minimum taxable income. Combine lines 1 through 3. (If married filing separately and line 4 is more than \$733,700, see instructions.)	4	408,341

Part II Alternative Minimum Tax (AMT)

5	Exemption. (If you were under age 24 at the end of 2019, see instructions.) IF your filing status is AND line 4 is not over THEN enter on line 5 Single or head of household \$ 510,300 \$ 71,700 Married filing jointly or qualifying widow(er) 1,020,600 111,700 Married filing separately 510,300 55,850 If line 4 is over the amount shown above for your filing status, see instructions.	5	111,700
6	Subtract line 5 from line 4. If more than zero, go to line 7. If zero or less, enter -0- here and on lines 7, 9, and 11, and go to line 10.	6	296,641
7	• If you are filing Form 2555, see instructions for the amount to enter. • If you reported capital gain distributions directly on Form 1040 or 1040-SR, line 6; you reported qualified dividends on Form 1040 or 1040-SR, line 8a; or you had a gain on both lines 15 and 16, see instructions on Form 1040 or 1040-SR as to whether you must complete Part III on the back and enter the amount from line 40 here. • All others: If line 6 is \$194,800 or less (\$97,400 or less if married filing separately), multiply line 6 by 26% (0.26). Otherwise, multiply line 6 by 28% (0.28) and subtract \$3,896 (\$1,948 if married filing separately) from the result.	7	79,163
8	Alternative minimum tax foreign tax credit (see instructions)	8	
9	Tentative minimum tax. Subtract line 8 from line 7	9	79,163
10	Add Form 1040 or 1040-SR, line 12a (minus any tax from Form 4972), and Schedule 2 (Form 1040 or 1040-SR), line 2. Subtract from the result any foreign tax credit from Schedule 3 (Form 1040 or 1040-SR), line 1. If you used Schedule J to figure your tax on Form 1040 or 1040-SR, line 12a, refigure that tax without using Schedule J before completing this line (see instructions)	10	84,152
11	AMT. Subtract line 10 from line 9. If zero or less, enter -0-. Enter here and on Schedule 2 (Form 1040 or	11	NONE

1040-SR), line 1

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For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 13600G

Form **6251** (2019)

Part III Tax Computation Using Maximum Capital Gains Rates

Complete Part III only if you are required to do so by line 7 or by the Foreign Earned Income Tax Worksheet in the instructions.

12	Enter the amount from Form 6251, line 6. If you are filing Form 2555, enter the amount from line 3 of the worksheet in the instructions for line 7	12	296,641
13	Enter the amount from line 6 of the Qualified Dividends and Capital Gain Tax Worksheet in the Instructions for Forms 1040 and 1040-SR or the amount from line 13 of the Schedule D Tax Worksheet in the Instructions for Schedule D (Form 1040 or 1040-SR), whichever applies (as refigured for the AMT, if necessary) (see instructions). If you are filing Form 2555, see instructions for the amount to enter . . .	13	20,000
14	Enter the amount from Schedule D (Form 1040 or 1040-SR), line 19 (as refigured for the AMT, if necessary) (see instructions). If you are filing Form 2555, see instructions for the amount to enter	14	
15	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 13. Otherwise, add lines 13 and 14, and enter the smaller of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary). If you are filing Form 2555, see instructions for the amount to enter	15	NONE
16	Enter the smaller of line 12 or line 15	16	NONE
17	Subtract line 16 from line 12	17	296,641
18	If line 17 is \$194,800 or less (\$97,400 or less if married filing separately), multiply line 17 by 26% (0.26). Otherwise, multiply line 17 by 28% (0.28) and subtract \$3,896 (\$1,948 if married filing separately) from the result ▶	18	79,163
19	Enter: <ul style="list-style-type: none"> • \$78,750 if married filing jointly or qualifying widow(er), • \$39,375 if single or married filing separately, or • \$52,750 if head of household. 	19	78,750
20	Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet or the amount from line 14 of the Schedule D Tax Worksheet, whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter the amount from Form 1040 or 1040-SR, line 11b; if zero or less, enter -0-. If you are filing Form 2555, see instructions for the amount to enter	20	15,000
21	Subtract line 20 from line 19. If zero or less, enter -0-	21	63,750
22	Enter the smaller of line 12 or line 13	22	20,000
23	Enter the smaller of line 21 or line 22. This amount is taxed at 0%	23	20,000
24	Subtract line 23 from line 22	24	NONE
25	Enter: <ul style="list-style-type: none"> • \$434,550 if single • \$244,425 if married filing separately • \$488,850 if married filing jointly or qualifying widow(er) • \$461,700 if head of household 	25	488,850
26	Enter the amount from line 21	26	63,750
27	Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet or the amount from line 21 of the Schedule D Tax Worksheet, whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter the amount from Form 1040 or 1040-SR, line 11b; if zero or less, enter -0-. If you are filing Form 2555, see instructions for the amount to enter	27	15,000
28	Add line 26 and line 27	28	78,750
29	Subtract line 28 from line 25. If zero or less, enter -0-	29	410,100
30	Enter the smaller of line 24 or line 29	30	NONE
31	Multiply line 30 by 15% (0.15) ▶	31	NONE
32	Add lines 23 and 30	32	20,000
	If lines 32 and 12 are the same, skip lines 33 through 37 and go to line 38. Otherwise, go to line 33.		
33	Subtract line 32 from line 22	33	NONE
34	Multiply line 33 by 20% (0.20) ▶	34	NONE
	If line 14 is zero or blank, skip lines 35 through 37 and go to line 38. Otherwise, go to line 35.		
35	Add lines 17, 32, and 33	35	
36	Subtract line 35 from line 12	36	
37	Multiply line 36 by 25% (0.25) ▶	37	
38	Add lines 18, 31, 34, and 37	38	79,163
39	If line 12 is \$194,800 or less (\$97,400 or less if married filing separately), multiply line 12 by 26% (0.26). Otherwise, multiply line 12 by 28% (0.28) and subtract \$3,896 (\$1,948 if married filing separately) from the result	39	79,163
40	Enter the smaller of line 38 or line 39 here and on line 7. If you are filing Form 2555, do not enter this amount on line 7. Instead, enter it on line 4 of the worksheet in the instructions for line 7	40	79,163

Qualified Dividends and Capital Gain Tax Worksheet—Line 12a

Before you begin: ✓ See the earlier instructions for line 12a to see if you can use this worksheet to figure your tax.
 ✓ Before completing this worksheet, complete Form 1040 or 1040-SR through line 11b.
 ✓ If you don't have to file Schedule D and you received capital gain distributions, be sure you checked the box on Form 1040 or 1040-SR, line 6.

1.	Enter the amount from Form 1040 or 1040-SR, line 11b. However, if you are filing Form 2555 (relating to foreign earned income), enter the amount from line 3 of the Foreign Earned Income Tax Worksheet	1.	398,341	
2.	Enter the amount from Form 1040 or 1040-SR, line 3a*	2.	20,000	
3.	Are you filing Schedule D?*			
	<input checked="" type="checkbox"/> Yes. Enter the smaller of line 15 or 16 of Schedule D. If either line 15 or 16 is blank or a loss, enter -0-.	} 3.	15,000	
	<input type="checkbox"/> No. Enter the amount from Form 1040 or 1040-SR, line 6.			
4.	Add lines 2 and 3	4.	35,000	
5.	If filing Form 4952 (used to figure investment interest expense deduction), enter any amount from line 4g of that form. Otherwise, enter -0-	5.	0	
6.	Subtract line 5 from line 4. If zero or less, enter -0-	6.	35,000	
7.	Subtract line 6 from line 1. If zero or less, enter -0-	7.	363,341	
8.	Enter: \$39,375 if single or married filing separately, \$78,750 if married filing jointly or qualifying widow(er), \$52,750 if head of household.	} 8.	78,750	
9.	Enter the smaller of line 1 or line 8		9.	78,750
10.	Enter the smaller of line 7 or line 9	10.	78,750	
11.	Subtract line 10 from line 9. This amount is taxed at 0%	11.	0	
12.	Enter the smaller of line 1 or line 6	12.	35,000	
13.	Enter the amount from line 11	13.	0	
14.	Subtract line 13 from line 12	14.	35,000	
15.	Enter: \$434,550 if single, \$244,425 if married filing separately, \$488,850 if married filing jointly or qualifying widow(er), \$461,700 if head of household.	} 15.	488,850	
16.	Enter the smaller of line 1 or line 15		16.	398,341
17.	Add lines 7 and 11	17.	363,341	
18.	Subtract line 17 from line 16. If zero or less, enter -0-	18.	35,000	
19.	Enter the smaller of line 14 or line 18	19.	35,000	
20.	Multiply line 19 by 15% (0.15)	20.	5,250	
21.	Add lines 11 and 19	21.	35,000	
22.	Subtract line 21 from line 12	22.	0	
23.	Multiply line 22 by 20% (0.20)	23.	0	
24.	Figure the tax on the amount on line 7. If the amount on line 7 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 7 is \$100,000 or more, use the Tax Computation Worksheet	24.	78,902	
25.	Add lines 20, 23, and 24	25.	84,152	
26.	Figure the tax on the amount on line 1. If the amount on line 1 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 1 is \$100,000 or more, use the Tax Computation Worksheet	26.	90,102	
27.	Tax on all taxable income. Enter the smaller of line 25 or 26. Also include this amount on the entry space on Form 1040 or 1040-SR, line 12a. If you are filing Form 2555, don't enter this amount on the entry space on Form 1040 or 1040-SR, line 12a. Instead, enter it on line 4 of the Foreign Earned Income Tax Worksheet	27.	84,152	

* If you are filing Form 2555, see the footnote in the Foreign Earned Income Tax Worksheet before completing this line.

2019 MICHIGAN Individual Income Tax Return MI-1040

Amended Return
(Include Schedule AMD)

Return is due April 15, 2020. Type or print in blue or black ink.

1. Filer's First Name CLAUS	M.I. L	Last Name ANDERSON	2. Filer's Full Social Security No. (Example: 123-45-6789) XXX XX XXXX
If a Joint Return, Spouse's First Name MIRIAM	M.I. J	Last Name ANDERSON	3. Spouse's Full Social Security No. (Example: 123-45-6789) XXX XX XXXX
Home Address (Number, Street, or P.O. Box) 2740 LAKE DR. SE			4. School District Code (5 digits – see page 60) 41090
City or Town EAST GRAND RAPIDS		State MI	ZIP Code 49506
5. STATE CAMPAIGN FUND Check if you (and/or your spouse, if filing a joint return) want \$3 of your taxes to go to this fund. This will not increase your tax or reduce your refund.		a. <input type="checkbox"/> Filer b. <input type="checkbox"/> Spouse	6. FARMERS, FISHERMEN, OR SEAFARERS <input type="checkbox"/> Check this box if 2/3 of your income is from farming, fishing, or seafaring.
7. 2019 FILING STATUS. Check one. a. <input type="checkbox"/> Single b. <input checked="" type="checkbox"/> Married filing jointly c. <input type="checkbox"/> Married filing separately*		8. 2019 RESIDENCY STATUS. Check all that apply. a. <input checked="" type="checkbox"/> Resident b. <input type="checkbox"/> Nonresident * c. <input type="checkbox"/> Part-Year Resident *	

* If you check box "c," complete line 3 and enter spouse's full name below:

* If you check box "b" or "c," you must complete and include Schedule NR.

9. EXEMPTIONS. NOTE: If someone else can claim you as a dependent, check box 9e, enter 0 on line 9a and enter \$1,500 on line 9e (see instr.).

a. Number of exemptions (see instructions)..... 9a.	0	x \$4,400	9a.	00
b. Number of individuals who qualify for one of the following special exemptions: deaf, blind, hemiplegic, paraplegic, quadriplegic, or totally and permanently disabled..... 9b.	0	x \$2,700	9b.	00
c. Number of qualified disabled veterans..... 9c.	0	x \$400	9c.	00
d. Number of Certificates of Stillbirth from MDHHS (see instructions)..... 9d.	0	x \$4,400	9d.	00
e. Claimed as dependent, see line 9NOTE above..... 9e.	<input type="checkbox"/>		9e.	00
f. Add lines 9a, 9b, 9c, 9d and 9e. Enter here and on line 15..... 9f.			9f.	00
10. Adjusted Gross Income from your U.S. Forms 1040 or 1040NR(see instructions)..... 10.			450,000	00
11. Additions from Schedule 1, line 9. Include Schedule 1 11.				00
12. Total. Add lines 10 and 11..... 12.			450,000	00
13. Subtractions from Schedule 1, line 28. Include Schedule 1 13.				00
14. Income subject to tax. Subtract line 13 from line 12. If line 13 is greater than line 12, enter "0"..... 14.			450,000	00
15. Exemption allowance. Enter amount from line 9f or Schedule NR, line 19..... 15.				00
16. Taxable income. Subtract line 15 from line 14. If line 15 is greater than line 14, enter "0"..... 16.			450,000	00
17. Tax. Multiply line 16 by 4.25% (0.0425)..... 17.			19,125	00

NON-REFUNDABLE CREDITS

	AMOUNT		CREDIT	
18. Income Tax Imposed by government units outside Michigan. Include a copy of the return (see instructions)..... 18a.	00		18b.	00
19. Michigan Historic Preservation Tax Credit carryforward (see instructions)..... 19a.	00		19b.	00
20. Income Tax. Subtract the sum of lines 18b and 19b from line 17. If the sum of lines 18b and 19b is greater than line 17, enter "0"..... 20.			19,125	00

Filer's Full Social Security Number

XXX	—	XX	—	XXXX
-----	---	----	---	------

21. Enter amount of Income Tax from line 20.....	21.	19,125	00
22. Voluntary Contributions from Form 4642, line 10. Include Form 4642	22.		00
23. USE TAX. Use tax due on Internet, mail order or other out-of-state purchases from Worksheet 1 (see instructions)	23.	180	00
24. Total Tax Liability. Add lines 21, 22 and 23	24.	19,305	00

REFUNDABLE CREDITS AND PAYMENTS

25. Property Tax Credit. Include MI-1040CR or MI-1040CR-2	25.		00
26. Farmland Preservation Tax Credit. Include MI-1040CR-5	26.		00
27. Earned Income Tax Credit. Multiply line 27a by 6% (0.06) and enter result on line 27b.	27a.	FEDERAL	00
	27b.	MICHIGAN	00
28. Michigan Historic Preservation Tax Credit (refundable). Include Form 3581	28.		00
29. Michigan tax withheld from Schedule W, line 6. Include Schedule W (do not submit W-2s)	29.		00
30. Estimated tax, extension payments and 2018 credit forward	30.		19,125 00
31. 2019 AMENDED RETURNS ONLY. Taxpayers completing an original 2019 return should skip to line 32. Amended returns must include Schedule AMD (see instructions) .			
31a. <input type="checkbox"/> If you had a refund and/or credit forward on the original return, check box 31a and enter this amount as a negative number on line 31c.			
31b. <input type="checkbox"/> If you paid with the original return, check box 31b and enter the amount paid with the original return, plus any additional tax paid after filing, as a positive number on line 31c. Do not include interest or penalty.	31c.		00
32. Total refundable credits and payments. Add lines 25, 26, 27b, 28, 29, 30 and 31c	32.		19,125 00

REFUND OR TAX DUE

33. If line 32 is less than line 24, subtract line 32 from line 24. If applicable, see instructions.			
Include interest <input type="text"/> 00 and penalty <input type="text"/> 00	YOU OWE		180 00
34. Overpayment. If line 32 is greater than line 24, subtract line 24 from line 32	34.		00
35. Credit Forward. Amount of line 34 to be credited to your 2020 estimated tax for your 2020 tax return ...	35.		00
36. Subtract line 35 from line 34	REFUND		00

DIRECT DEPOSIT

Deposit your refund directly to your financial institution! See instructions and complete a, b and c.

a. Routing Transit Number	b. Account Number	c. Type of Account
		1. <input type="checkbox"/> Checking 2. <input type="checkbox"/> Savings

Deceased Taxpayer. If Filer and/or Spouse died after December 31, 2018, enter dates below. **ENTER DATE OF DEATH ONLY.** Example: 04-15-2019 (MM-DD-YYYY)

Filer	— —	Spouse	— —
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Preparer Certification. I declare under penalty of perjury that this return is based on all information of which I have any knowledge.

Preparer's PTIN, FEIN or SSN

Taxpayer Certification. I declare under penalty of perjury that the information in this return and attachments is true and complete to the best of my knowledge.

Filer's Signature	Date
Spouse's Signature	Date

Preparer's Name (print or type)

Preparer's Business Name, Address and Telephone Number

By checking this box, I authorize Treasury to discuss my return with my preparer.

Refund, credit, or zero returns. Mail your return to: **Michigan Department of Treasury, Lansing, MI 48956**
Pay amount on line 33 (see instructions). Mail your check and return to: **Michigan Department of Treasury, Lansing, MI 48929**

2019 MICHIGAN Withholding Tax Schedule

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

Type or print in blue or black ink.

Attachment 13

INSTRUCTIONS: If you had Michigan income tax withheld in 2019, you must complete a *Withholding Tax Schedule* (Schedule W) to claim the withholding on your *Individual Income Tax Return* (MI-1040, line 29). Report military pay in Table 1 and military retirement benefits and taxable railroad retirement benefits (both Tier 1 and Tier 2) in Table 2 even if no Michigan tax was withheld. Include your completed Schedule W with Form MI-1040. See complete instructions on page 2 of this form. If you need additional space, include another Schedule W.

1. Filer's First Name	M.I.	Last Name	2. Filer's Full Social Security No. (Example: 123-45-6789)
			— —
If a Joint Return, Spouse's First Name	M.I.	Last Name	3. Spouse's Full Social Security No. (Example: 123-45-6789)
			— —

TABLE 1: MICHIGAN TAX WITHHELD OR MILITARY PAY REPORTED ON W-2, W-2G or CORRECTED W-2 FORMS

A		B	C	D		E	
Enter "X" for: Filer or Spouse		Employer's identification number (Example: 38-1234567)	Box c — Employer's name	Box 1 — Wages, tips, other compensation		Box 17 — Michigan income tax withheld	
					00		00
					00		00
					00		00
					00		00
					00		00
Enter Table 1 Subtotal from additional Schedule W forms (if applicable).....							00
4. SUBTOTAL. Enter total of Table 1, column E.....4.							00

TABLE 2: MICHIGAN TAX WITHHELD OR MILITARY RETIREMENT BENEFITS AND RAILROAD RETIREMENT BENEFITS (BOTH TIER 1 AND TIER 2) REPORTED ON 1099 FORMS

A		B	C	D		E	
Enter "X" for: Filer or Spouse		Payer's federal identification number (Example: 38-1234567)	Payer's name	Taxable pension distribution, misc. income, etc. (see inst.)		Michigan income tax withheld	
					00		00
					00		00
					00		00
					00		00
					00		00
Enter Table 2 Subtotal from additional Schedule W forms (if applicable).....							00
5. SUBTOTAL. Enter total of Table 2, column E.....5.							00
6. TOTAL. Add lines 4 and 5. Enter here and carry to MI-1040, line 29.....6.							00