

IMPORTANT INFORMATION FOR ALL INCOME TAX FILERS

WHO MUST FILE A RETURN

Every person, partnership, fiduciary, association, corporation or other entity that is domiciled, employed or doing business in the City of Lapeer at any time during 2011 must file a return by April 30, 2012.

Every nonresident individual whose gross taxable income earned in Lapeer was \$600.00 or more. If you do not meet the requirements for filing but Lapeer tax was withheld or estimated tax was paid, you must file to receive a refund.

Every taxpayer filing a resident Lapeer Income tax return must attach a copy of page 1 of their federal return to their Lapeer return.

MARRIED PERSONS-JOINT/SEPARATE RETURNS

Married persons may file either a joint return or separate returns. If a joint return is filed both names and both social security numbers must be listed, all Lapeer taxable income of both husband and wife must be included, and both individuals must sign the return. A joint return may be filed when only one spouse has Lapeer income.

DECEASED TAXPAYERS

A return for a taxpayer that died during the taxable year should be filed on the same basis as he would have filed if he had lived. If a refund is due on the return and the check is to be made payable to persons other than the surviving spouse, a letter of explanation should be attached.

ESTIMATED TAX PAYMENTS FOR YEAR 2012

Estimated tax payments are REQUIRED if 2011 Lapeer income not subject to withholding is more than \$10,000 after exemptions (\$100 in tax). A Declaration of Estimated Income Tax (Form L-1040ES) MUST be filed by April 30, 2012 and one-fourth (1/4) of the estimated tax due for 2012 must be paid with the declaration. The three remaining estimated tax payments are due at the end of June, September and January. **Failure to make required estimated tax payments or underpayment of estimated tax will result in assessment of penalty and interest.**

If at any time during the year your income increases to such a level that one hundred dollars (\$100.00) or more of tax will be due, a Declaration of Estimated Tax must be filed at that time. The Declaration of Estimated Tax (Form L-1040ES) is available from the Lapeer Income Tax Department, is included in the tax booklet or on the City's website.

EXTENSION OF TIME TO FILE

The due date of Lapeer annual returns may be extended for a period not to exceed six months. Application for a Lapeer extension must be made and any tentative tax due must be paid (Ord. Sec. 64). Applying for a federal extension does not satisfy the requirement for filing a city extension. **When a city extension is granted, the tentative tax must be paid by April 30, 2012.** Filing an extension with payment is not substitute for making estimated tax payments.

DOCUMENTATION REQUIREMENTS

Copies of all federal schedule(s) and other requested documentation supporting income, losses and deductions must be attached to your return.

Failure to attach schedules and documentation or attaching incomplete schedules and documentation will result in deductions being disallowed or delay the processing of your return.

AMENDED RETURNS

Amended returns should be filed on the applicable L-1040 form and clearly marked **AMENDED** on the top margin. All supporting schedules should accompany filing with an explanation for each change. Tax paid or refunds received from the original return should be noted to the left of the box on line 23. Tax paid should be added and refunds received should be subtracted from other payments with the total entered on line 23.

If a change on your federal return affects your Lapeer taxable income, you must file an amended Lapeer return within 90 days of the change. Include payment of any tax and interest due.

ASSISTANCE

If you need forms or assistance, call (810) 667-7155. Questions by mail should be directed to Lapeer Income Tax Department, 576 Liberty Park, Lapeer, MI 48446. Income tax forms, instructions and additional data are available on the City's website at www.ci.lapeer.mi.us.

NOTICE

These instructions are interpretations of the Lapeer Income Tax Ordinance. The Ordinance will prevail in any disagreement between forms or instructions and the Ordinance.

TAXABLE INCOME OF A RESIDENT

Lapeer residents are required to report the same kinds of taxable income on their city return they report on their federal return excluding S-corporation flow through income.

TAXABLE INCOME OF A NONRESIDENT

The following income is subject to Lapeer tax for a nonresident:
A. Salaries, wages, bonuses, commissions, fees, tips, incentive payments, severance pay, vacation pay and sick pay received for work done or services performed in Lapeer.

B. Net profits from the operation of a business or profession attributable to business activity conducted in Lapeer, whether or not such business is located in Lapeer.

C. Net profits from the rental of real or tangible personal property located in Lapeer.

D. Gain from the sale or exchange of real or tangible personal property located in Lapeer.

E. Premature distribution from an IRA or ROTH IRA (where a deduction was claimed on a current or previous year's Lapeer income tax return) or a pension plan.

TAX EXEMPT INCOME

Tax exempt income includes:

A. Gifts, inheritances and bequests.

B. Social security, pensions and annuities (including disability pensions) and Individual Retirement Account distributions received after reaching age 59 ½.

C. Proceeds of insurance where the taxpayer paid policy premiums. (Payments from a health and accident policy paid for by employer are taxable to the same extent as provided by the Internal Revenue Code).

D. Unemployment compensation and supplemental unemployment benefits.

E. Worker's compensation or similar payments for death, injury or illness arising in the course of an employee's job.

F. Military pay of members of the armed forces of the United States, including Reserve and National Guard pay.