

**PARTNERSHIP
INCOME TAX RETURN**

FORM 1065

FOR: **PARTNERSHIPS** DOING
BUSINESS IN BIG RAPIDS, MICHIGAN

FILING INSTRUCTIONS

Filing Date: Calendar year taxpayers must file by April 30. Fiscal year taxpayers must file within 4 months after the end of their fiscal year.

REMITTANCE: Partnerships electing to pay tax for partners must remit for all partners when filing return. The tax due, if one dollar (\$1.00) or more, must be paid when filing the return. Make remittance payable to:

CITY OF BIG RAPIDS

MAILING ADDRESS: Mail your return and remittance to:

**CITY OF BIG RAPIDS
INCOME TAX PROCESSING CENTER
P.O. BOX 536
EATON RAPIDS, MI 48827-0536**

Partnerships Required to File

Every partnership that conducts business activities in the City of Big Rapids, whether or not an office or place of business is maintained in the City, is required to file a return within four (4) months following the end of the taxable year. If on a calendar year basis, the return must be filed by April 30. **If the partnership elects to pass through the income to the partners on their personal return, then do not file Form 1065 with the City of Big Rapids.**

FORM TO BE USED

If a partnership elects to pay for all partners when filing the return, the Partnership Summary Return provided shall be attached to a copy of the Federal 1065 or required information should be carried over to Federal Schedule E and attached to BR 1040.

Resident vs. Non-Resident Partner

Partners who are residents of Big Rapids are taxed on their entire distributive shares of the net profits of the partnership, including that arising from the business activity outside the City, and including interest, dividends, and royalties and gains from the sale or exchange of property, either tangible or intangible.

Partners who are non-residents of Big Rapids are taxed on their distributive shares of the net profit which is attributed to business activity in the City, plus net rentals of property in the City and gains from the sale or exchange of real or tangible personal property in the City. They are not taxed on their share of net rentals on property outside the City, gains from the sale or exchange of real or tangible property outside the City, gains from the sale or exchange of securities or other tangible property, or interest or dividends.

Option to Pay Tax

At its election, the partnership may file either an information return or it may compute and pay the tax which is due with respect to each partner's share of the net profit of the business, after giving effect to exemptions and other items to which each partner is entitled. Such election is available to all partnerships regardless of the residency of the partners. The partnership may pay the tax for partners only if it pays for all partners subject to the tax.

If the partnership elects to pay the tax on behalf of the partners thereof, then such election and payments shall be deemed to meet the requirements for filing of a return as provided by the Ordinance, for each partner who has no other income subject to the tax. However, a return shall be required from any partner having taxable income other than his distributive share of the net profits of the partnership.

Partnership as Taxpayer

If the partnership elects to pay the tax on behalf of the partners, then it assumes the status of the taxpayer to the following extent:

1. **Timely payment.** Payment must be made within four (4) months from the end of the fiscal year or period; otherwise, it will be subject to interest and penalties the same as a delinquent payment from any other taxpayer.
2. **Payment of estimated tax.** The election of the partnership to pay the tax on behalf of the individual partners also carries with it the requirement to file a Declaration of Estimated Income Tax, Form BR 1040ES, if the total estimated tax for the partnership is expected to exceed \$100 and pay such tax.

Attach Federal Form 1065, 1120, 1120A, or 1120S

City of Big Rapids

Income Tax Summary Return For Partnerships or Corporations 2017

or other taxable year BEGINNING _____ & ENDING _____

Name of Partnership or Corporation

Address

This return is paying tax for all partners or officers.

FEIN:

Principal Business Activity:

ATTACH COPIES OF ALL K-1's

Table with 4 columns: Description, Amount, Sign, Total. Rows include income carried over, additions (Big Rapids Income Tax Paid, etc.), subtractions (Interest from Government Obligations, etc.), subtotal, percentage of business, carry over loss, taxable income, City of Big Rapids Tax, voluntary contribution, and total of lines 9 and 10.

PAYMENTS AND CREDITS

Table with 4 columns: Description, Amount, Sign, Total. Rows include credit from prior year, payment made on 2017 Declaration, tax paid with tentative return, and total.

PAYMENTS AND CREDITS

Table with 4 columns: Description, Amount, Sign, Total. Rows include penalty and interest, tax overpayment, overpayment, and amount of line 16 with checkboxes for credited to 2018 or refunded to you.

I declare, under penalty of perjury, that the information on this return and attachments is true and complete. I authorize the CITY to discuss my claim and attachments with my preparer. DO NOT discuss my claim with my preparer.

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

PREPARER'S SIGNATURE & ADDRESS

FILER'S SIGNATURE, TITLE, DATE, PHONE

Write Your FEIN on Remittance and Make Payable to: CITY OF BIG RAPIDS. Mail Return with Remittance to: CITY OF BIG RAPIDS, INCOME TAX PROCESSING CENTER, PO BOX 536, EATON RAPIDS, MI 48827-0536

BUSINESS ALLOCATION FORMULA

	Located Everywhere A.	Located in Big Rapids B.	Percentage (B divided by A)
1. Average net book value of real and tangible personal property	_____	_____	_____
a. Gross rent paid for real property only, multiplied by 8	_____	_____	_____
b. Total (Add Lines 1 and 1a)	_____	_____	_____
2. Total wages, salaries, commissions and other compensation of all employees	_____	_____	_____
3. Gross receipts from sales made or services rendered	_____	_____	_____
4. Total percentages – Add the three percentages computed for Lines 1b, 2, and 3 which you entered in the last column			_____
5. Average percentage* Enter here and on Line 5, Front Page			_____

*In determining the average, divide Line 4 by 3. However, if a factor does not exist, divide the sum of the percentages by the number of factors actually used.

Line 14

A. Interest - .0001411 per day	A. _____
B. Penalty – 1% of the amount of the unpaid tax for each month or a fraction thereof not to exceed a total penalty of 25% of the unpaid tax	B. _____
C. Total penalty and interest, minimum of \$2.00 Enter on Line 14	C. _____