

Mail your return and remittance to:
CITY OF BIG RAPIDS
INCOME TAX PROCESSING CENTER
P.O. BOX 536
EATON RAPIDS, MI 48827-0536

2018

CITY OF BIG RAPIDS

2018

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 by the last day of the fourth month following the end of the fiscal year. Returns shall be for the same calendar year, fiscal year or other accounting period as the taxpayer uses for federal income tax purposes.

TAX RATE: 1.0% (0.01) for resident partners
0.5% (0.005) for non-resident partners

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

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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 file an Informational Return, Form 1065, with the City of Big Rapids and attach schedule K and copies of all K-1's.**

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 with all necessary schedules and K-1's or the required information should be carried over to the necessary federal schedule(s) and attached to Form 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.

RESIDENT VS. NON-RESIDENT PARTNER (continued)

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 informational 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/her 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.

Attach Federal Form 1065, 1120, 1120A, or 1120S
City of Big Rapids
Income Tax Summary Return For Partnerships or Corporations
2018

Or other taxable period BEGINNING _____ & ENDING _____

Name of Partnership or Corporation: _____

This return is paying tax for all partners or officers.

Address _____

FEIN: _____

Principal Business Activity: _____

ATTACH COPIES OF ALL K-1's

1) Income carried over from Federal Form 1065, 1120, 1120A, or 1120S		1) \$	00
2) Add items not deductible under Big Rapids Income Tax			
Big Rapids Income Tax Paid	00		
Other – Submit Schedule	00		
Total	00	2) +	00
3) Subtract items not taxable under Big Rapids Income Tax			
Interest from Government Obligations	00		
Dividends Received Deductions	00		
Foreign Tax Credit	00		
Other – Submit Schedule	00		
Total	00	3) -	00
4) Subtotal		4)	00
5) Percentage of Business Attributable to City of Big Rapids (Use formula on back)		5)	
6) Multiply Line 4 by Line 5		6)	00
7) Carry over loss from prior percentage allocations of Big Rapids tax years		7)	00
8) Taxable Income		8)	00
9) City of Big Rapids Tax – Multiply Line 8 by 1% (Corporations, Sub S Corporations, & Resident Partnerships) Multiply Line 8 by ½% (Non-Resident Partnerships)		9)	00
10) Voluntary Contribution to Big Rapids Community Pool and/or Community Library (Please circle)		10)	00
11) Total of Lines 9 and 10		11)	00

PAYMENTS AND CREDITS

12) a. Credit forward from prior year	12a)	00	
b. Total estimated payments	12b)	00	
c. Payment made with Application for Extension	12c)	00	
13) Total Payments and Credits (add 12a, 12b, and 12c)	13)		00

OVERPAYMENT OR TAX DUE

14) Penalty and interest (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. Interest - .0001616 per day. Minimum of \$2.00.)	14)	00
15) If your tax (Line 11) is larger than payments (Line 13) enter balance due and pay in full with this return.	15)	00
16) If your payments (Line 13) are larger than your tax (Line 11) enter amount overpaid.	16)	00
17) Amount of Line 16 is to be (check one box only):	A <input type="checkbox"/> Credited to 2019	B <input type="checkbox"/> 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.

FILER'S SIGNATURE _____

TITLE _____ DATE _____

PHONE () - -

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

PREPARER'S SIGNATURE & ADDRESS

Write Your FEIN on Remittance and Make Payable to: **CITY OF BIG RAPIDS**
 Mail Return and Remittance to: **CITY OF BIG RAPIDS, INCOME TAX PROCESSING CENTER, P.O. BOX 536, EATON RAPIDS, MI 48827**

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. Business apportionment percentage (Line 4 divided by number of factors, usually 3; enter here and on page 1, line 6)			_____

***In determining the business apportionment percentage (Line 5), a factor shall be excluded from the computation only when such factor does not exist anywhere insofar as the taxpayer's business operation is concerned. In such cases, the sum of the remaining percentages shall be divided by the number of factors actually used.**

Penalty and Interest

Line 14	A. Interest - .0001616 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. _____