

Mail your return and remittance to:

CITY OF BIG RAPIDS
INCOME TAX DEPARTMENT
226 N MICHIGAN AVE
BIG RAPIDS, MI 49307

2023

CITY OF BIG RAPIDS

2023

**CORPORATION
INCOME TAX RETURN**

FORM 1120

FOR: **CORPORATIONS 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)

REMITTANCE: 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 DEPARTMENT
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BIG RAPIDS, MI 49307**

CORPORATIONS REQUIRED TO FILE

Every corporation doing business in the City, whether or not it has an office or place of business in the city, and whether or not it has net profits, is required to file a City of Big Rapids Corporation Income Tax Return.

Corporations cannot elect to file and be taxed as partnerships. Subchapter S corporations are treated as C corporations. (Likewise, partnerships cannot elect to file and be taxed as corporations.)

Non-profit corporations which have applied for and received approval for exemptions from the Federal Income tax shall not be required to file a Big Rapids return provided they submit approval from the Internal Revenue Service. Such exemption for the City's filing requirement will continue in effect as long as their Federal exemption is in effect.

The Ordinance also specifically exempts financial institutions from taxation. "Financial institutions" include state and national banks, trust companies, insurance companies, building and loan and savings and loan associations, and credit unions (chartered by either the state or federal government).

EXTENSIONS

Upon filing the form APPLICATION FOR EXTENSION OF TIME TO FILE CITY OF BIG RAPIDS INCOME TAX RETURN (available on the City's website) on or before the date for filing a return, the Income Tax Administrator may extend the time for filing up to six months. When an extension is requested, the tentative tax must be paid.

EXTENSIONS(continued)

When an extension form is filed with the appropriate payment, it may be assumed that the extension is automatically granted unless otherwise noted. When the return is filed, a copy of the application for extension must be attached. If the return is filed after the extended due date, penalty and interest will apply from the original due date.

FORM TO BE USED

The Corporate Summary Return shall be attached to a copy of the federal Form 1120, 1120-A or 1120-S, Schedule K and all schedules filed with the IRS.

LOSSES

Net operating loss carry-over and/or net capital loss carry-over applicable to Big Rapids operating losses and net capital losses sustained by a corporation may be carried forward twenty years. There is no provision for carrying back losses to prior tax years. No deductions will be allowed for net operating losses and net capital losses sustained prior to January 1, 1970. Capital losses and capital loss carry-overs are deductible only to the extent of capital gains.

Losses are to be allocated to Big Rapids at the percentage of business conducted in Big Rapids in the year in which the loss was sustained. If all business was not conducted in Big Rapids in the year in which the loss was sustained, use the business allocation percentage formula to arrive at the deductible portion of the loss. If you do not conduct 100% of your business in Big Rapids, attach a schedule showing your computation for the amount reported on this line.

PLEASE NOTE

Corporations are not permitted to file as so-called "tax option" corporations. Every corporation subject to the city tax must file a return and pay the tax, regardless of any option available to it under Section 1371-1377 of the Federal Internal Revenue Code.

The taxable income or net operating loss of a corporation shall not be prorated to the shareholders and reported on their individual returns.

Subchapter S Corporation distributions are taxable to the individual who received the distribution. For this reason copies of all K-1's must be attached to this return.

Attach Federal Form 1120, 1120A, or 1120S
City of Big Rapids
Income Tax Summary Return For Corporations
2023

Or other taxable period BEGINNING _____ & ENDING _____

Name of Corporation: _____

Address _____

FEIN: _____

Principal Business Activity: _____

ATTACH COPIES OF FEDERAL 1120 AND ALL SCHEDULES, CALCULATION SHEETS AND K-1'S(IF APPLICABLE)

1) Income carried over from Federal Form 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)			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 - .0001164 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 2024 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 DEPARTMENT, 226 N MICHIGAN AVE, BIG RAPIDS, MI 49307**

CITY OF BIG RAPIDS 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 - .0001164 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.