



City of Big Rapids Income Tax Ordinance Reminder for Rental Property Owners

If you are a property owner who has rental property within the City of Big Rapids you are required to file an annual income tax return with the City of Big Rapids Income Tax Office. This applies to both residents and non-residents, partnerships and corporations. Sections 12, 13, 41, and 82 of the Income Tax Ordinance (Act 284 of 1964) are listed below.

If you report any income or loss from your rental property, you must complete and submit a City of Big Rapids Income Tax Return, attach a copy of Page 1 of the Federal Income Tax Return, and attach a copy of Federal Schedule E for each year that any income or loss is being claimed.

If you have any questions, please feel free to contact our department at (231) 592-4012. Thank you.

Sincerely,

Paula Weipert
Income Tax Administrator

City of Big Rapids Income Tax Ordinance (Excerpt) Act 284, Public Acts of Michigan for 1964

Section 12: *The tax shall apply on the following types of income of a resident individual to the same extent and on the same basis that the income is subject to taxation under the federal internal revenue code:*

(3) On net profits from rentals of real and tangible personal property.

Section 13: *The tax shall apply on the following types of income of a nonresident individual to the same extent and on the same basis that the income is subject to taxation under the federal internal revenue code:*

(3) On capital gains less capital losses from the sales of, and on the net profits from rentals of, real and tangible personal property, if the capital gains arise from property located in the city.

Section 41: *Every corporation doing business in the city and every other person having income taxable under this ordinance in any year shall make and file with the city an annual return for that year, on a form furnished or approved by the City, on or before the last day of the fourth month for the same calendar year, fiscal year, or other accounting period, that has been accepted by the internal revenue service for federal income tax purposes for the taxpayer.*

Section 82: *All taxes imposed upon taxpayers under this ordinance and remaining unpaid after they are due bear interest from such due date at the adjusted prime rate per day and penalty of 1% per month, not to exceed a total penalty of 25% of the unpaid tax. If the total penalty and interest due is less than \$2.00, a minimum charge of \$2.00 shall be assessed. For tax years after the 1996 tax year, "adjusted prime rate" means that term as defined in and determined under Section 23 (2) of Act No. 122 of the Public Acts of 1941, being Section 205.23 of the Michigan Compiled Laws.*