



# NOTTAWASEPPI HURON BAND OF THE POTAWATOMI

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A FEDERALLY RECOGNIZED TRIBAL GOVERNMENT




# Tribal-State Tax Agreement

- Tax Agreement negotiated jointly by representatives of all Tribes and the State between 2000 and 2002.
- Tribes and the State agreed on terms December 20, 2002.
- The term “Resident Tribal Member” (RTM) is the term that defines who is entitled to the tax exemptions recognized in the Tax Agreement whose primary residence is a home that is located inside the Tax Agreement Area, and for certain State tax purposes, treated as living on an Indian Reservation or trust lands.




# Requirements for Being Considered a Resident Tribal Member

- A qualifying Resident Tribal Member (RTM) is a Tribal Member whose principal place of residence is located within their Tribe's Tax Agreement Area and whose name appears on the Tribe's RTM list submitted to the State.
- The Tribe updates the Michigan Department of Treasury monthly of changes to the Resident Tribal Member list.
- Please contact the Tribe's Tax Officer to confirm the Tribal Member taxpayer is a Resident Tribal Member prior to filing using the Resident Tribal Member tax exemption on the Schedule 1 Subtraction and for the Tribal 4013 credit.

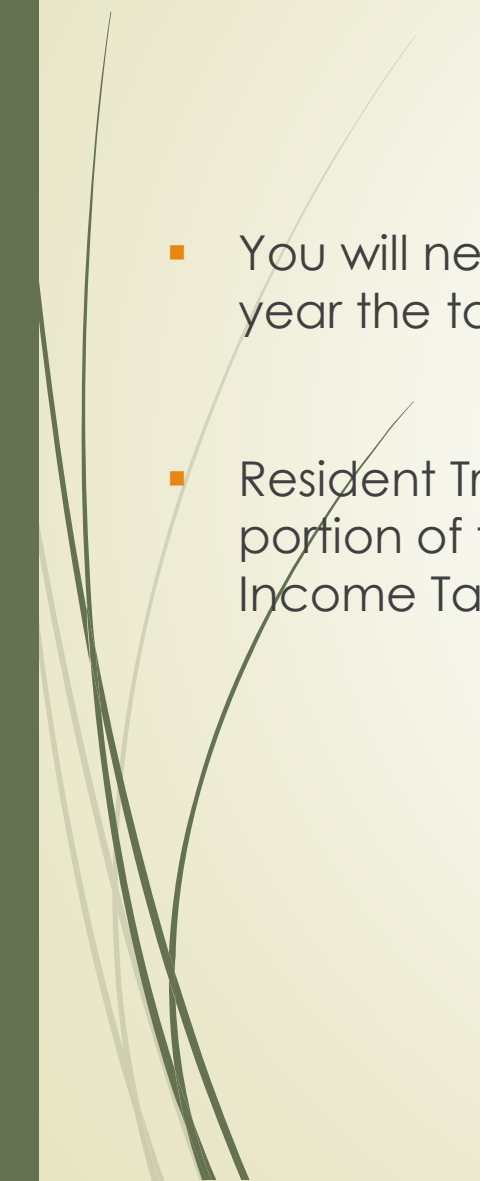


# Michigan Tax Agreement Income Tax Exemptions for Resident Tribal Members

- Only the NHBP Resident Tribal Member income is exempt. If filing a joint return, a non-RTM spouse's income may not be subtracted from AGI as exempt and is subject to Michigan Income Tax.
- Limited to: wages/salaries/per capita/pension (see Agreement)
- If an RTM has income from a sole proprietorship, partnership, S Corporation, or pass through entity, such income must be apportioned in the manner provided in the Michigan Income Tax Act. In essence, the activity (sales) that take place within Tribal and Trust lands (or outside the state of Michigan) are not subject to the tax.



# Partial Year Resident Tribal Member

- You will need to know how many months out of any calendar year the taxpayer qualified as a “Resident Tribal Member.”
  - Resident Tribal Member status months will determine what portion of the wages/salary/per capita is exempt from Michigan Income Tax.
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# Michigan Resident Tribal Member Annual Sales Tax Credit Form 4013

- RTM's pay the sales tax on items bought at the point of purchase and get an Annual Sales/Use Tax Credit by filing a form Tribal 4013;
- If you file a joint income tax return, only the Resident Tribal Member's portion of the AGI can be used for the calculation. NOTE: If you are retired/disabled, Lines 8-10 do allow you to add back the federally exempt amount of SS, Railroad Retirement, and Veterans disability you may receive;
- Annual Sales and Use Tax Credit is limited to the number of months you were eligible for the tax exemption as a Resident Tribal Member;





Reset Form

Michigan Department of Treasury, 4013 (Rev. 02-17)

**2017 MICHIGAN Resident Tribal Member Annual Sales Tax Credit**  
 (for Resident Tribal Members of Agreement Tribes ONLY)

**TRIBAL  
4013**

Issued under authority of Public Act 616 of 2002.  
 Type or print in blue or black ink. Print numbers like this: 0123456789 - NOT like this: 0 1 4 7  
 Read the Instructions before completing this form.

1. Filer's First Name	M.I.	Last Name	2. Filer's Full Social Security No. (Example: 123-45-6789)
Spouse's First Name	M.I.	Last Name	3. Spouse's Full Social Security No. (Example: 123-45-6789)
Home Address (Number, Street, or P.O. Box)			State
City or Town			ZIP Code

4. Tribal Affiliation of Resident Tribal Member. Enter two-digit Tribal Code (see instructions). ..... 4.

Note: Enter only if your Tribe has an Implemented Tax Agreement with the State.

5. Check the box if you or your spouse are Resident Tribal Members..... 5. PRIMARY FILER  SPOUSE

6. Adjusted Gross Income from MI-1040, line 10.....	6.	<input type="text"/>	00
7. Resident Tribal Member portion of Adjusted Gross Income (see instructions).....	7.	<input type="text"/>	00

**ADDITIONS TO INCOME**

8. Nontaxable portion of Social Security and/or Railroad Retirement benefits.....	8.	<input type="text"/>	00
9. Social Security and Veteran's disability benefits.....	9.	<input type="text"/>	00
10. Public Assistance payments from your Tribe (see instructions).....	10.	<input type="text"/>	00
11. Fishing income (pursuant to Internal Revenue Code 7873).....	11.	<input type="text"/>	00
12. Enter 50% of any Combat Zone Compensation for Enlisted Members of the Armed Forces.....	12.	<input type="text"/>	00
13. Modified Adjusted Gross Income. Add lines 7 through 12.....	13.	<input type="text"/>	00
14. Modified Adjusted Gross Income Cap (see instructions).....	14.	<input type="text"/>	00
15. Multiply the lesser of lines 13 or 14 by 0.9% (0.009).....	15.	<input type="text"/>	00

**CREDIT CALCULATION - Resident Tribal Members of Agreement Tribes ONLY**

16. Number of months you resided within your Tribe's Agreement Area (Enter a number 1-12).....	16.	<input type="text"/>	
17. Proration Percentage. Divide the number of qualifying months on line 16 by 12.....	17.	<input type="text"/>	%
18. Credit. Multiply line 15 by line 17.....	18.	<input type="text"/>	00

<b>Taxpayer Certification.</b> I declare under penalty of perjury that the information in this return and attachments is true and complete to the best of my knowledge.		<b>Preparer Certification.</b> I declare under penalty of perjury that this return is based on all information of which I have any knowledge.	
Filer's Signature	Date	Preparer's PTIN, FEIN or SSN	
Spouse's Signature	Date	Preparer's Name (print or type)	
<input type="checkbox"/> By checking this box, I authorize Treasury to discuss my return with my preparer.		Preparer's Business Name, Address and Telephone Number	



# Forms Needed to Obtain Refund of Michigan Income Tax

- Tribal Members are required to fill out a Schedule 1 in addition to the MI-1040;
- On Schedule 1, Line 20, enter the total amount of income exempt under the tax agreement based on the percentage of time the Tribal Member qualified as a Resident Tribal Member.
- On the MI-1040 tax return: Enter the total subtractions from Schedule 1, Line 20 onto your MI-1040, Line 13.
- If your tax program automatically transfers the Tribal Member's AGI from the Michigan Resident Tribal Member Annual Sales Tax Credit 4013 form to the amount on Line 20 of the Schedule 1, verify correct amount is carried to Line 13 of the MI-1040. Social Security Benefits (and Deduction Based on Year of Birth) listed on the Schedule 1 may calculate the MI-1040, Line 13 deduction incorrectly. Social Security Benefits are included in the AGI that transfers from the Tribal 4013 form.

Note: Line information based on 2017 MI 1040 and Schedule 1 forms.



2017 Form 3423, Page 2 of 2

**2017 MICHIGAN Schedule 1 Additions and Subtractions**

Filer's First Name	M.I.	Last Name	Filer's Full Social Security No. (Example: 123-45-6789)
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**Subtractions from Income (all entries must be positive numbers)**

10. Income from U.S. government bonds and other U.S. obligations included in MI-1040, line 10. Include U.S. Schedule B if over \$5,000.....	10.		00
11. Amount included in MI-1040, line 10, from military retirement benefits due to service in the U.S. Armed Forces or Michigan National Guard, or taxable railroad retirement benefits.....	11.		00
12. Gains from federal column of Michigan MI-1040D and MI-4797.....	12.		00
13. Income attributable to another state. Explain type and source:.....	13.		00
14. Taxable Social Security benefits or military pay (not retirement) included on MI-1040, line 10 ..	14.		00
15. Income earned while a resident of a Renaissance Zone (see instructions).....	15.		00
16. Michigan state and local income tax refunds received in 2017 and included on MI-1040, line 10.....	16.		00
17. Michigan Education Savings Program, MI 529 Advisor Plan, and Michigan Achieving a Better Life Experience Program.....	17.		00
18. Michigan Education Trust.....	18.		00
19. Oil, gas, and nonferrous metallic minerals income (Michigan sourced) included in AGI.....	19.		00
20. Resident Tribal Member income exempted under a State/Tribal tax agreement or pursuant to Revenue Administrative Bulletin 1988-47.....	20.		00
21. Michigan Net Operating Loss.....	21.		00
22. Miscellaneous subtractions (see instructions). Describe:.....	22.		00

**Deduction Based on Year of Birth**

Complete this section if you are eligible to claim the Michigan Standard Deduction, the deduction for retirement benefits or the deduction for senior investment income on lines 24, 25 or 26. If you complete line 24, 25 or 26, lines 23A through 23F must be completed for you and your spouse, if married.

**NOTE: See instructions before continuing with this section.**

23.	FILER			SPOUSE		
	A. Year of Birth (19xx)	B. Age (as of 12-31-2017)	C. Check if SSA Exempt	D. Year of Birth (19xx)	E. Age (as of 12-31-2017)	F. Check if SSA Exempt
			<input type="checkbox"/>			<input type="checkbox"/>

24. Michigan Standard Deduction. Complete this line ONLY if the older of you or your spouse (if married) was born during the period January 1, 1946 through January 1, 1951, and reached age 67 on or before December 31, 2017. Do not complete lines 25 and 26.....	24.		00
25. Retirement benefits. Enter amount from line 15, 26, 27 or 28 of Form 4884, Michigan Pension Schedule. Include Form 4884.....	25.		00
26. Dividend/interest/capital gains deduction for taxpayers 72 years and older. Deduction is limited to \$11,250 for single or married filing separately filers and \$22,518 for joint filers, less any deduction for retirement benefits (see instructions).....	26.		00

Check this box if you are the unremarried surviving spouse claiming a dividend, interest or capital gains deduction for someone born before 1946 who was at least age 65 at the time of death.

27. Total subtractions. Add lines 10 through 26. Enter here and on MI-1040, line 13.....	27.		00
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If additions do not apply, only submit page 2 of the Schedule 1 with your return.



Reset Form

Michigan Department of Treasury (Rev. 07-17), Page 1 of 2

Issued under authority of Public Act 281 of 1967, as amended.

**2017 MICHIGAN Individual Income Tax Return MI-1040**

Amended Return   
(Include Schedule AMD)

Return is due April 17, 2018.

Type or print in blue or black ink. Print numbers like this: 0123456789 - NOT like this: 0147

1. Filer's First Name		M.I.	Last Name	2. Filer's Full Social Security No. (Example: 123-45-6789)			
If a Joint Return, Spouse's First Name		M.I.	Last Name	3. Spouse's Full Social Security No. (Example: 123-45-6789)			
Home Address (Number, Street, or P.O. Box)				4. School District Code (5 digits - see page 6D)			
City or Town		State	ZIP Code				
5. STATE CAMPAIGN FUND Check if you (and/or your spouse, if filing a joint return) want \$3 of your taxes to go to this fund. This will not increase your tax or reduce your refund.			6. FARMERS, FISHERMEN, OR SEAFARERS Check this box if 2/3 of your income is from farming, fishing, or seafaring.				
7. 2017 FILING STATUS. Check one. a. <input type="checkbox"/> Single b. <input type="checkbox"/> Married filing jointly c. <input type="checkbox"/> Married filing separately*			8. 2017 RESIDENCY STATUS. Check all that apply. a. <input type="checkbox"/> Resident b. <input type="checkbox"/> Nonresident * c. <input type="checkbox"/> Part-Year Resident *				
9. EXEMPTIONS. NOTE: If someone else can claim you as a dependent, check box 9d, enter 0 on line 9a and enter \$1,500 on line 9d (see instr.).							
a. Number of exemptions claimed on 2017 federal return.....		9a.	<input type="text"/>	x \$4,000	9a.	<input type="text"/>	00
b. Number of individuals who qualify for one of the following special exemptions: deaf, blind, hemiplegic, paraplegic, quadriplegic, or totally and permanently disabled		9b.	<input type="text"/>	x \$2,600	9b.	<input type="text"/>	00
c. Number of qualified disabled veterans.....		9c.	<input type="text"/>	x \$400	9c.	<input type="text"/>	00
d. Claimed as dependent, see line 9 NOTE above.....		9d.	<input type="checkbox"/>		9d.	<input type="text"/>	00
e. Add lines 9a, 9b, 9c and 9d. Enter here and on line 15.....		9e.	<input type="text"/>		9e.	<input type="text"/>	00
10. Adjusted Gross Income from your U.S. Forms 1040, 1040A, 1040EZ or 1040NR (see instructions).....		10.	<input type="text"/>		10.	<input type="text"/>	00
11. Additions from Schedule 1, line 9. Include Schedule 1.....		11.	<input type="text"/>		11.	<input type="text"/>	00
12. Total. Add lines 10 and 11.....		12.	<input type="text"/>		12.	<input type="text"/>	00
13. Subtractions from Schedule 1, line 27. Include Schedule 1.....		13.	<input type="text"/>		13.	<input type="text"/>	00
14. Income subject to tax. Subtract line 13 from line 12. If line 13 is greater than line 12, enter "0".....		14.	<input type="text"/>		14.	<input type="text"/>	00
15. Exemption allowance. Enter amount from line 9e or Schedule NR, line 19.....		15.	<input type="text"/>		15.	<input type="text"/>	00
16. Taxable income. Subtract line 15 from line 14. If line 15 is greater than line 14, enter "0".....		16.	<input type="text"/>		16.	<input type="text"/>	00
17. Tax. Multiply line 16 by 4.25% (0.0425).....		17.	<input type="text"/>		17.	<input type="text"/>	00
<b>NON-REFUNDABLE CREDITS</b>							
18. Income Tax Imposed by government units outside Michigan. Include a copy of the return (see instructions).....		18a.	<input type="text"/>	00	18b.	<input type="text"/>	00
19. Michigan Historic Preservation Tax Credit carryforward and/or Small Business Investment Tax Credit (see instructions).....		19a.	<input type="text"/>	00	19b.	<input type="text"/>	00
20. Income Tax. Subtract the sum of lines 18b and 19b from line 17. If the sum of lines 18b and 19b is greater than line 17, enter "0".....		20.	<input type="text"/>		20.	<input type="text"/>	00



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