

# 2011 MICHIGAN Business Tax Election of Refund or Carryforward of Credits

Issued under authority of Public Act 36 of 2007.

Name	Federal Employer Identification Number (FEIN) or TR Number
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1. Tax liability after Renaissance Zone Credit from Form 4573, line 15, or tax liability after Renaissance Zone Credit from Form 4596, line 18 ..... 1. 

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**HISTORIC PRESERVATION CREDIT.** If not claiming, skip to line 30.

**Recapture Calculation**

2. Historic Preservation Credit recapture. Carry to Form 4573, line 17a, or Form 4596, line 20a.....	2.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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3. Tax Liability After Historic Preservation Credit Recapture. Add lines 1 and 2.....	3.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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4. Unused Basic/Enhanced credit from previous period return .....	4.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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5. Tax liability after Basic/Enhanced credit carryforward. Subtract line 4 from line 3. If less than zero, enter zero...	5.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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6. Basic/Enhanced credit carryforward to the next period. If line 4 is greater than line 3, enter the difference .....	6.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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7. Unused Special Consideration credit from previous period return (see instructions).....	7.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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8. Tax liability after Special Consideration credit carryforward. Subtract line 7 from line 5. If less than zero, enter zero .....	8.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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9. Special Consideration credit carryforward to the next period. If line 7 is greater than line 5, enter the difference.....	9.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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10. Basic/Enhanced credit received by assignment in this filing period. (Attach Michigan Department of Treasury approval letter received from Assignor.) .....	10.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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11. Tax liability after Basic/Enhanced credit received by assignment. Subtract line 10 from line 8. If less than zero, enter zero .....	11.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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12. Assigned Basic/Enhanced credit carryforward to the next period. If line 10 is greater than line 8, enter the difference.....	12.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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13. Special Consideration credit received by assignment for this filing period. (Attach Michigan Department of Treasury approval letter received from Assignor.) .....	13.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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14. Tax liability after Special Consideration credit received by assignment. Subtract line 13 from line 11. If less than zero, enter zero .....	14.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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15. Assigned Special Consideration credit carryforward for the next year. If line 13 is greater than line 11, enter the difference .....	15.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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16. Current period Basic credit from Form 3581, line 4d.....	16.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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17. Current period Enhanced credit from Form 3581, line 5d .....	17.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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18. Current period Basic/Enhanced credits. Add lines 16 and 17. ....	18.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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19. Tax liability after current period Basic/Enhanced credits. Subtract line 18 from line 14. If less than zero, enter zero .....	19.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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20. Current period Basic/Enhanced credits that exceed liability. If line 18 is greater than line 14, enter the difference.....	20.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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21. Special Consideration credit from Form 3581, line 6d.....	21.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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22. Allowable current period Special Consideration credit. Enter the lesser of lines 19 and 21 .....	22.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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23. Current period Special Consideration credit carryforward to next period. If line 21 is greater than line 22, enter the difference .....	23.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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24. Tax liability after Historic Preservation Credit. Subtract line 22 from line 19 .....	24.	<table border="1" style="display: inline-table; width: 150px; height: 20px;"><tr><td style="width: 100px;"></td><td style="width: 50px; text-align: right;">00</td></tr></table>		00
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**Carryforward/Refund Calculation**

25. Prior year and assigned Basic/Enhanced credit carryforward to next period. Add lines 6 and 12.....	25.		00
26. All Special Consideration credit carryforward to next period. Add lines 9, 15, and 23.....	26.		00
27. Basic/Enhanced credit refund (see instructions)			
a. Amount of credit from line 20 that is eligible to be refunded. If line 20 is zero, skip to line 28 .....	27a.		00
b. Refundable Amount. Multiply line 27a by 90% (0.90). Carry to Form 4574, line 13, or Form 4596, line 3.....	27b.		00
28. Total Basic/Enhanced credit carryforward to next period. If no refund selected in line 27b, add lines 25 and 20. Otherwise, add lines 25 and 20 and subtract line 27a (see instructions).....	28.		00
29. <b>Total Historic Preservation Credit.</b> Subtract line 24 from line 3. Carry amount to Form 4573, line 16, or Form 4596, line 19.....	29.		00

**MEGA FEDERAL CONTRACT CREDIT.** If not claiming, skip to line 39.

30. Tax liability before MEGA Federal Contract Credit from Form 4573, line 40.....	30.		00
31. Unused credit from previous period MBT return.....	31.		00
32. Tax After Previous Period Credit. Subtract line 31 from line 30. If less than zero, enter zero .....	32.		00
33. Remaining unused credit from previous period MBT return. If line 31 is greater than line 30, enter the difference.....	33.		00
34. Available credit from the MEDC Certificate (attach) .....	34.		00
35. Tax After Current Period Credit. Subtract line 34 from line 32. If less than zero, enter zero here and complete line 36; Otherwise, skip to line 37 .....	35.		00
36. If line 34 is greater than line 32, elect a refund or carryforward of credit by entering the difference on either line 36a or line 36b.			
a. Refundable Amount. Carry amount to Form 4574, line 17 .....	36a.		00
b. Carryforward Amount.....	36b.		00
37. Total Credit Carryforward. Add lines 33 and 36b.....	37.		00
38. <b>MEGA Federal Contract Credit.</b> Subtract line 35 from line 30. Carry amount to Form 4573, line 41.....	38.		00

**BROWNFIELD REDEVELOPMENT CREDIT.** If not claiming, skip to line 57.

**Recapture Calculation**

39. Tax liability before Brownfield Redevelopment Credit from Form 4573, line 58, or Form 4596, line 21.....	39.		00
40. If completing Form 4569, enter amount from Form 4569, line 8; Otherwise, enter MBT Brownfield Redevelopment Credit recapture amount.....	40.		00
41. Unused credit from previous period MBT return.....	41.		00
42. Subtract line 41 from line 40. If less than zero, enter zero .....	42.		00
43. Remaining prior year carryforward. If line 41 is greater than line 40, enter the difference .....	43.		00
44. Assigned credit from <i>MBT Brownfield Redevelopment Credit Assignment Certificate</i> (attach) .....	44.		00
45. Subtract line 44 from line 42. If less than zero, enter zero .....	45.		00
46. Remaining assigned credit. If line 44 is greater than line 42, enter the difference .....	46.		00
47. Available credit from <i>MBT Brownfield Redevelopment Credit Certificate of Completion</i> (attach) .....	47.		00
48. Subtract line 47 from line 45. If less than zero, enter zero here; Otherwise, carry amount to Form 4587, line 7 .....	48.		00

**BROWNFIELD REDEVELOPMENT CREDIT — Continued**  
**Carryforward/Refund Calculation**

49. Remaining current year credit. If line 47 is greater than line 45, enter the difference .....	49.		00
50. Available prior year and assigned credit. Add lines 43 and 46 .....	50.		00
51. Tax after available prior year and assigned credit. Subtract line 50 from line 39. If less than zero, enter zero.....	51.		00
52. Prior year and assigned credit carryforward. If line 50 is greater than line 39, enter the difference .....	52.		00
53. Tax after Brownfield Redevelopment Credit. Subtract line 49 from line 51. If less than zero, enter zero here and complete line 54; Otherwise, skip to line 56 .....	53.		00
54. If line 49 is greater than line 51, elect a refund or carryforward of credit by completing either line 54a or line 54b.			
a. Refundable Amount. Enter 85% (0.85) of the difference of line 49 and line 51. Carry amount to Form 4574, line 19, or Form 4596, line 5 .....	54a.		00
b. Carryforward Amount. Enter the difference of line 49 and line 51 .....	54b.		00
55. Total Credit Carryforward. Add lines 52 and 54b .....	55.		00
56. <b>Brownfield Redevelopment Credit.</b> Subtract line 53 from line 39. Carry amount to Form 4573, line 59, or Form 4596, line 22.....	56.		00

**MEGA PLUG-IN TRACTION BATTERY MANUFACTURING CREDIT.**

If not claiming, complete line 57, carry amount to line 62, and continue to the next credit.

57. Tax liability before MEGA Plug-In Traction Battery Manufacturing Credit from Form 4573, line 76 .....	57.		00
58. Unused credit from previous period MBT return.....	58.		00
59. Tax After Previous Period Credit. Subtract line 58 from line 57. If less than zero, enter zero .....	59.		00
60. Remaining unused credit from previous period MBT return. If line 58 is greater than line 57, enter the difference.....	60.		00
61. Available credit from the MEDC Certificate (attach).....	61.		00
62. Tax After Current Period Credit. Subtract line 61 from line 59. If less than zero, enter zero here and complete line 63; Otherwise, skip to line 64.....	62.		00
63. If line 61 is greater than line 59, elect a refund or carryforward of credit by entering the difference on either line 63a or line 63b.			
a. Refundable Amount. Carry amount to Form 4574, line 21 .....	63a.		00
b. Carryforward Amount.....	63b.		00
64. Total Credit Carryforward. Add lines 60 and 63b .....	64.		00
65. <b>MEGA Plug-In Traction Battery Manufacturing Credit.</b> Subtract line 62 from line 57. Carry amount to Form 4573, line 78.....	65.		00

**ANCHOR COMPANY PAYROLL CREDIT.** If not claiming, carry amount from line 62 to line 70, and continue to the next credit.

66. Unused credit from previous period MBT return.....	66.		00
67. Tax After Previous Period Credit. Subtract line 66 from line 62. If less than zero, enter zero .....	67.		00
68. Remaining unused credit from previous period MBT return. If line 66 is greater than line 62, enter the difference.....	68.		00
69. Available credit from the MEDC Certificate (attach).....	69.		00
70. Tax After Current Period Credit. Subtract line 69 from line 67. If less than zero, enter zero here and complete line 71; Otherwise, skip to line 72.....	70.		00
71. If line 69 is greater than line 67, elect a refund or carryforward of credit by entering the difference on either line 71a or line 71b.			
a. Refundable Amount. Carry amount to Form 4574, line 22 .....	71a.		00
b. Carryforward Amount.....	71b.		00
72. Total Credit Carryforward. Add lines 68 and 71b .....	72.		00
73. <b>Anchor Company Payroll Credit.</b> Subtract line 70 from line 62. Carry amount to Form 4573, line 80.....	73.		00

**ANCHOR COMPANY TAXABLE VALUE CREDIT.**

<p>74. Unused credit from previous period MBT return.....</p> <p>75. Tax After Previous Period Credit. Subtract line 74 from line 70. If less than zero, enter zero .....</p> <p>76. Remaining unused credit from previous period MBT return. If line 74 is greater than line 70, enter the difference.....</p> <p>77. Available credit from the MEDC Certificate (attach).....</p> <p>78. Tax After Current Period Credit. Subtract line 77 from line 75. If less than zero, enter zero here and complete line 79; Otherwise, skip to line 80.....</p> <p>79. If line 77 is greater than line 75, elect a refund or carryforward of credit by entering the difference on either line 79a or line 79b.</p> <p style="padding-left: 20px;">a. Refundable Amount. Carry amount to Form 4574, line 23 .....</p> <p style="padding-left: 20px;">b. Carryforward Amount.....</p> <p>80. Total Credit Carryforward. Add lines 76 and 79b.....</p> <p>81. <b>Anchor Company Taxable Value Credit.</b> Subtract line 78 from line 70. Carry amount to Form 4573, line 82.....</p>	<p>74.</p> <p>75.</p> <p>76.</p> <p>77.</p> <p>78.</p> <p>79a.</p> <p>79b.</p> <p>80.</p> <p>81.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; height: 15px;"></td> <td style="width: 20%; text-align: center;">00</td> </tr> <tr> <td style="height: 15px;"></td> <td style="text-align: center;">00</td> </tr> <tr> <td style="width: 80%; height: 15px;"></td> <td style="width: 20%; text-align: center;">00</td> </tr> <tr> <td style="height: 15px;"></td> <td style="text-align: center;">00</td> </tr> <tr> <td style="width: 80%; height: 15px;"></td> <td style="width: 20%; text-align: center;">00</td> </tr> <tr> <td style="height: 15px;"></td> <td style="text-align: center;">00</td> </tr> <tr> <td style="width: 80%; height: 15px;"></td> <td style="width: 20%; text-align: center;">00</td> </tr> <tr> <td style="height: 15px;"></td> <td style="text-align: center;">00</td> </tr> <tr> <td style="width: 80%; height: 15px;"></td> <td style="width: 20%; text-align: center;">00</td> </tr> <tr> <td style="height: 15px;"></td> <td style="text-align: center;">00</td> </tr> <tr> <td style="width: 80%; height: 15px;"></td> <td style="width: 20%; text-align: center;">00</td> </tr> <tr> <td style="height: 15px;"></td> <td style="text-align: center;">00</td> </tr> </table>		00		00		00		00		00		00		00		00		00		00		00		00
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# Instructions for Form 4584

## Michigan Business Tax (MBT) Election of Refund or Carryforward of Credits

**Fiscal Year Filers:** See “Supplemental Instructions for Standard Fiscal MBT Filers” on page 145.

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### Purpose

To allow standard taxpayers to claim certain “hybrid” credits that, if greater than the tax liability, can either be refunded or carried forward to offset future liabilities. Credits and any overpayments are calculated here and then carried to either the *MBT Miscellaneous Nonrefundable Credits* (Form 4573) or the *MBT Refundable Credits* (Form 4574), depending on the election chosen.

**NOTE:** This form cannot be used with *MBT Simplified Return* (Form 4583).

Financial institutions and insurance companies may use this form to claim the Historic Preservation Credit and Brownfield Redevelopment Credit only.

An election must be made on the original return filed for the year in which the credit was earned. No amendment will be allowed to change this election. Amounts elected to be carried forward may not be subsequently refunded, nor can assigned credits be refunded. Treatment of any excess credit may not be split between a refund and carryforward.

**Fiscal Year Filers:** See “Supplemental Instructions for Standard Fiscal MBT Filers” on page 145.

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### Special Instructions for Unitary Business Groups

Credits on this form are earned and calculated on an entity-specific basis, as determined by relevant statutory provisions for the respective credits. Intercompany transactions are not eliminated, and the credits are applied against the tax liability of the Unitary Business Group (UBG).

Entity-specific provisions are applied on a member-by-member basis. In none of these cases does a taxpayer that is a UBG take the organization type of its parent, Designated Member (DM), or any member of the UBG. A UBG taxpayer will not be attributed an organization type based on the composition of its members.

A member of a UBG may claim any of the applicable credits contained on this form by attaching the member’s credit certificate to the return. If more than one member is claiming the same credit, the total amount from all claiming members should be entered on each corresponding line on this form. Line-by-line instructions indicate additional information required for UBGs.

See the “Supplemental Instructions for Standard Members in UBGs” section in the *MBT Forms and Instructions for Standard Taxpayers* (Form 4600) for information on the effects of members leaving or joining a UBG on credit carryforwards.

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### Line-by-Line Instructions

*Lines not listed are explained on the form.*

**NOTE:** Although qualification for certain credits is reviewed and approved by the Michigan Economic Growth Authority (MEGA), in many cases the certificates for such credits are issued by the Michigan Economic Development Corporation (MEDC).

**Name and Account Number:** Enter the name and account number as reported on page 1 of the applicable MBT annual

return (either the *MBT Annual Return* (Form 4567) for standard taxpayers, the *MBT Annual Return for Financial Institutions* (Form 4590), or the *Insurance Company Annual Return for Michigan Business and Retaliatory Taxes* (Form 4588)).

**UBGs:** Complete one form for the group. Enter the DM name in the Taxpayer Name field and the DM account number in the Federal Employer Identification Number (FEIN) field.

### Historic Preservation Credit

The Historic Preservation Credit provides tax incentives for homeowners, commercial property owners, and businesses to rehabilitate historic resources located in the State of Michigan. Rehabilitation projects must be certified by the State Historic Preservation Office (SHPO).

The credit must be claimed in the year that the certification of completed rehabilitation of the historic resource was issued.

A qualified taxpayer that has a rehabilitation plan certified before January 1, 2008, under the Single Business Tax (SBT) for the rehabilitation of a historic resource for which a certification of completed rehabilitation has been issued after the end of the taxpayer’s last tax year under SBT may also claim a credit.

Qualified taxpayers may receive a *Basic Michigan Credit* equal to 25 percent of their qualified expenditures. For taxpayers eligible for the federal Rehabilitation Credit under Internal Revenue Code (IRC) § 47(a)(2), the Basic Michigan Credit is 25 percent of the qualified expenditures less the amount of the federal credit claimed. For example, if the federal credit is 20 percent, the State credit is 5 percent of the qualified expenditures.

A qualified MBT taxpayer may take one of two additional credits. The **Enhanced Credit** is equal to a percentage of qualified expenditures, not to exceed 15 percent, established in a preapproval letter issued by SHPO.

The **Special Consideration Credit** is equal to a percentage of qualified expenditures, not to exceed 15 percent, recorded on the Certificate of Completion awarded by SHPO. Special Consideration Credits are granted to rehabilitation plans expected to have a high community impact and to have significantly greater historic, social, and economic impact than those plans that earn Enhanced Credits. The maximum amount of credit that may be claimed during a tax year is \$3,000,000 per project, with the excess being carried forward until used up. The Enhanced and Special Consideration Credits are taken in addition to the Basic Credit. All three are calculated on *Michigan Historic Preservation Tax Credit* (Form 3581).

A qualified taxpayer may assign all or a portion of its credit to any assignee. The credit assignment cannot be revoked, but an assignee may subsequently reassign a credit, or any portion of an assigned credit, to one or more assignees. Both the initial assignment of the Michigan Historic Preservation Tax Credit by the qualified taxpayer to the first assignee(s) and the subsequent reassignment by the first assignee(s) to reassignee(s) must be done in the tax year in which the certificate of completed rehabilitation is issued. Assignments

are made on *Historic Preservation Tax Credit Assignment and Reassignment* (Form 3614).

This credit is generally nonrefundable. If the credit exceeds the taxpayer's tax liability, the balance of the credit may be carried forward up to ten years. However, for projects for which the credit amount allowed is less than \$250,000, a qualified taxpayer may elect to forgo the carryover period and receive a refund of 90 percent of the amount that exceeds the qualified taxpayer's tax liability. Such an election must be made in the year that a certificate of completed rehabilitation is issued and is irrevocable. The credit must be claimed in the year that the certificate of completed rehabilitation of the historic resource was issued.

An unused carryforward of a Historic Preservation Credit generated under SBT may be claimed against the tax imposed by MBT for the years the carryforward would have been available under SBT (maximum ten years). This carryforward is claimed on the *MBT Single Business Tax Credit Carryforwards* (Form 4569).

**Line 2: Recapture.** Enter the sum of all SBT and MBT Historic Preservation Credit recapture amounts. If a recapture event occurs, in the year of the event the following percentage of the credit amount previously claimed must be added back to the tax liability of the qualified taxpayer that received the certificate of completed rehabilitation or preapproved letter. For tax years beginning after December 31, 2008, a recapture event occurs if:

- A certificate of completed rehabilitation is revoked or a preapproval letter for an enhanced credit is revoked or a historic resource is sold or disposed of less than five years after the historic resource is placed in service (as defined in IRC § 47(b)(1) and related federal regulations); or
- A certificate of completed rehabilitation issued after December 1, 2008, is revoked; or a preapproval letter for an enhanced credit issued after December 1, 2008, is revoked; or a historic resource is sold or disposed of less than five years after the historic resource is placed in service during a tax year beginning after December 31, 2008.

100 percent	If less than 1 year
80 percent	If at least 1 year, but less than 2 years
60 percent	If at least 2 years, but less than 3 years
40 percent	If at least 3 years, but less than 4 years
20 percent	If at least 4 years, but less than 5 years

If the credit has been assigned, the recapture is the responsibility of the qualified taxpayer that received the certificate of completed rehabilitation, not the assignee.

**NOTE:** A recapture is not required if the qualified taxpayer enters into a written agreement with SHPO that allows for the transfer or sale of the historic resource.

**UBGs:** If any member of the UBG is reporting recapture, a statement must be attached to this form identifying the reporting member.

**Line 4:** Enter only the unused credit from a previous period MBT return. Available SBT credit carryforward is claimed separately on Form 4569.

**UBGs:** Enter the carryforward amount from Form 4580, Part 2B, line 48, column C.

**Line 7:** Enter amount of Special Consideration credit carryforward from prior year MBT Form 4584, if any. The Special Consideration credit carryforward must be separately recorded because, unlike the Basic/Enhanced Credit carryforward, it may be carried forward until used up. It does not expire after 10 years.

**UBGs:** Enter the unused credit amount from Form 4580, Part 2B, line 49, column C.

**Line 10: Basic/Enhanced Credit.** If the Historic Preservation Credit has been assigned, include the approval letter received from the Michigan Department of Treasury (Treasury) in the return. (If not attached, the credit will be disallowed.)

**NOTE:** If the taxpayer assigned part, but not all, of the credit, include here the amount of credit retained by the taxpayer. To this extent the assignor is also an assignee.

**Line 13: Special Consideration Credit.** If the Historic Preservation Credit has been assigned, attach the approval letter received from Treasury to the return. (If the approval letter is not attached, the credit will be disallowed.)

**NOTE:** If the taxpayer assigned part, but not all, of the credit, include here the amount of credit retained by the taxpayer. To this extent the assignor is also an assignee.

**Line 26:** Add lines 9, 15, and 23. This amount is the Special Consideration Credit carryforward to be used on the taxpayer's next MBT return.

**Line 27:** For projects for which the total credit amount allowed is less than \$250,000, a qualified taxpayer may elect to forgo the carryover period and receive a refund of 90 percent of the amount of the credit that exceeds the qualified taxpayer's tax liability. Neither an assigned credit nor a credit carried forward from a prior year is eligible to be refunded.

**Line 27a:** Enter the amount of credit from Line 20 that is eligible to be refunded. This amount may be greater than \$250,000 if a taxpayer has earned credit from more than one project. The determination is made separately for each project for which a taxpayer has earned a credit. Thus, if a separate filer (or two members of a UBG) has two credits, one for \$200,000 and one for \$300,000, the smaller credit is eligible to be refunded. The eligibility for a refund will be based on the entire historic preservation credit earned for a project, including the Basic Credit plus any additional amounts earned as an Enhanced or Special Consideration Credit.

Once eligibility is determined for each credit earned, an election must be made to request either a carryforward or a 90 percent refund of the entire amount eligible. An eligible credit may not be split between a refund and carryforward.

**Line 28:** If no refund was elected in line 27b, add lines 25 and 20. Otherwise, add lines 25 and 20 and subtract line 27a. This amount is the Basic/Enhanced Credit carryforward to be used on the taxpayer's next MBT return.

**MEGA Federal Contract Credit**

The MEGA Federal Contract Credit is available for a qualified taxpayer or collective group of taxpayers that have been awarded a federal procurement contract from the United States

Department of Defense, Department of Energy, or Department of Homeland Security, resulting in a minimum of 25 new full-time jobs. The credit amount is 100 percent of the qualified taxpayer's payroll attributable to employees who perform qualified new jobs as a result of the contract multiplied by the Michigan Individual Income Tax rate.

This credit may be taken for a period of up to seven years, as determined by MEGA. Any amount that exceeds the taxpayer's tax liability may be refunded or carried forward for ten years or until it is used up, whichever occurs first. To be eligible for the credit, a taxpayer must enter into an agreement with MEGA and be certified by MEGA. If a misrepresentation is made on the application for this credit, the designation of a qualified taxpayer may be revoked and the taxpayer may be required to refund or recapture credits received. Credit recapture is calculated on Form 4587.

For more information, contact MEDC at (517) 373-9808 or visit the MEDC Web site at <http://www.michiganadvantage.org/>.

**Line 31: UBGs:** Enter the unused credit amount from Form 4580, Part 2B, line 51, column C.

**Line 34:** Approved businesses receive a certificate from MEGA each year showing the total amount of tax credit allowed. Attach the Defense Contracting Tax Credit Certificate to the return. (If the certificate is not attached, the credit will be disallowed.)

**Line 37:** Add lines 33 and 36b. This is the MEGA Federal Contract Credit carryforward to be used on the taxpayer's next MBT return.

### **Brownfield Redevelopment Credit**

The Brownfield Redevelopment Credit encourages businesses to make an investment in eligible Michigan property that was used or is currently used for commercial, industrial, public, or residential purposes and is either a facility (environmentally contaminated property), functionally obsolete, or blighted.

A qualified taxpayer may claim a credit against its MBT tax liability, provided the taxpayer has a preapproval letter issued for the project after 2007, and before 2014, and the project is completed not more than five years after the preapproval letter is issued (ten years for multiphase projects). An extension can be requested for up to ten years from the date of the preapproval letter.

MBT also allows a taxpayer that received a preapproval letter prior to January 1, 2008, under the SBT Act to receive a Certificate of Completion and claim a credit against the tax imposed by the MBT Act, provided that all other requirements are met.

For projects approved or amended by MEGA, prior to April 8, 2008, the credit is limited to 10 percent of the cost of the eligible investment. For projects approved or amended on or after April 8, 2008, the credit is authorized for a percentage of the cost of eligible investment to be determined by MEGA, up to 20 percent of the cost.

Except for a multiphase project, the Brownfield Redevelopment Credit must be claimed in the tax year in which the Certificate of Completion is issued. For credits for a project approved by MEGA with total credits greater than \$10,000,000, the credits must be claimed at the rate of 10 percent per year for ten years, beginning with the first year specified by MEGA on the Certificate of Completion.

If a Brownfield Redevelopment Credit exceeds a taxpayer's tax liability for the year, the excess may be carried forward to offset tax liability in subsequent tax years for a maximum of ten years. Beginning April 8, 2008, a qualified taxpayer may elect to have the amount of the credit that exceeds the tax liability refunded at a rate equal to 85 percent of that amount, forgoing the remaining 15 percent of the credit. This election must be made when filing the return for the tax year in which the Certificate of Completion was received.

**NOTE:** Neither an assigned credit nor a credit carried forward from a prior year is eligible to be refunded.

**NOTE:** An unused SBT credit carryforward may be claimed against the tax imposed under the MBT for the same years the carryforward would have been available under SBT, but it expires after ten years (combined SBT and MBT years). This carryforward is claimed on Form 4569.

All or a portion of the credit may be assigned. The assignment of the credit is irrevocable, and except for an assignment based on a multiphase project, must be made in the tax year in which the Certificate of Completion was issued.

The administration of the Brownfield Redevelopment Credit program is assigned to MEGA. For more information on the approval process, contact the MEDC at (517) 373-9808.

**Line 39:** Enter tax liability before Brownfield Redevelopment Credit from Form 4573, line 68, or Form 4596, line 21.

**Line 40: Recapture.** The disposal or transfer to another location of personal property used to calculate this credit will result in an addition to the tax liability of the qualified taxpayer that was originally awarded the credit in the year in which the disposal or transfer occurs. This is true even if the credit was assigned to someone else. This additional liability will be calculated by multiplying the same percentage as is used to calculate the credit (e.g., 10 percent) times the federal basis of the property used to calculate gain or loss [as calculated for federal purposes] as of the date of the disposition or transfer. The amount otherwise added to the tax liability may also be used to reduce any carryforward of credits available to the taxpayer.

**UBGs:** If any member of the UBG is reporting recapture, a statement must be attached to this form identifying the reporting member.

**Line 41:** Enter only the unused credit from a previous period MBT return. Available SBT credit carryforward is claimed separately on Form 4569.

**UBGs:** Enter the unused credit amount from Form 4580, Part 2B, line 54, column C.

**Line 44:** If the Brownfield Redevelopment Credit has been assigned, attach the MBT Brownfield Redevelopment Credit Assignment Certificate to the return. (If the certificate is not attached, the credit will be disallowed.)

**Line 47:** For the credit to be valid, attach the Certificate of Completion, issued after the completion of the approval process, to the return. (If the certificate is not attached, the credit will be disallowed.)

**Line 54:** A qualified taxpayer may elect to have the amount of the credit that exceeds the tax liability refunded at a rate equal to 85 percent of that amount, forgoing the remaining 15 percent

of the credit. Neither an assigned credit nor a credit carried forward from a prior year is eligible to be refunded.

**Line 55:** Add lines 52 and 54b. This amount is the Brownfield Redevelopment credit carryforward to be used on the taxpayer's next MBT return.

#### **MEGA Plug-In Traction Battery Manufacturing Credit**

The MEGA Plug-In Traction Battery Manufacturing Credit encourages investment in the development, manufacture, commercialization, and affordability of advanced automotive high-power energy batteries. The credit is available only to a taxpayer that has entered into an agreement with MEGA that provides that the taxpayer will manufacture plug-in traction battery packs in Michigan. The taxpayer must attach the MEGA certificate to the MBT annual return on which the credit is claimed.

For tax years beginning after December 31, 2010 and ending before January 1, 2012, the credit allowed is \$500 for an equivalent of 4 kilowatt hours of battery capacity plus \$125 for each kilowatt hour of battery capacity in excess of 4 kilowatt hours of battery capacity not to exceed \$2,000 for each plug-in traction battery pack. For tax years beginning after December 31, 2011 and ending before January 1, 2015, the credit per unit is decreased to \$375 for an equivalent of 4 kilowatt hours of battery capacity plus \$93.75 for each kilowatt hour of battery capacity in excess of 4 kilowatt hours of battery capacity not to exceed \$1,500 for each plug-in traction battery pack.

A taxpayer shall not claim a credit under this section for more than 3 years.

If the credit exceeds the tax liability of the taxpayer for the tax year, the taxpayer may elect to have the excess refunded or carried forward to offset tax liability in subsequent tax years for 10 years or until used up, whichever occurs first. Amounts carried forward shall not affect the maximum amount of credits that may be claimed in subsequent years.

For more information, contact MEDC at (517) 373-9808 or visit the MEDC Web site at <http://www.michiganadvantage.org/>.

**Line 58: UBGs:** Enter the unused credit amount from Form 4580, Part 2B, line 57, column C.

**Line 61:** Approved businesses receive a certificate from MEGA each year showing the total amount of tax credit allowed. Attach the certificate to the return. (If the certificate is not attached, the credit will be disallowed.)

**Line 64:** Add lines 60 and 63b. This is the MEGA Plug-In Traction Battery Manufacturing Credit carryforward to be used on the taxpayer's next MBT return.

#### **Anchor Company Payroll Credit**

The Anchor Company Payroll Credit is available for a qualified taxpayer that was designated by MEGA as an anchor company within the last five years and that has influenced a new qualified supplier or customer to open, locate, or expand in Michigan.

A qualified taxpayer may take a credit up to 100 percent of its supplier's or customer's payroll for employees who perform qualified new jobs multiplied by the Michigan Individual Income Tax rate. This credit may be taken for a period of up to five years, as determined by MEGA. Any amount that exceeds the taxpayer's tax liability may be refunded or carried forward for ten years or until it is used up, whichever occurs first. To be

eligible for the credit, a taxpayer must be certified by MEGA. MEGA also may provide that qualified sales to a qualified customer not be considered in calculating the sales factor for the tax year for which a credit is provided.

The statute provides for reduction, termination, or recapture of the credit if the taxpayer fails to comply with its agreement or the statute. Credit recapture is calculated on Form 4587.

For more information, contact MEDC at (517) 373-9808 or visit the MEDC Web site at <http://www.michiganadvantage.org/>.

**Line 66: UBGs:** Enter unused credit amount from Form 4580, Part 2B, line 58, column C.

**Line 69:** Approved businesses receive a certificate from MEGA each year showing the total amount of tax credit allowed. Attach the Anchor Jobs Tax Credit Certificate to the return. (If the certificate is not attached, the credit will be disallowed.)

**Line 72:** Add lines 68 and 71b. This amount is the Anchor Company Payroll credit carryforward to be used on the taxpayer's next MBT return.

#### **Anchor Company Taxable Value Credit**

The Anchor Company Taxable Value Credit is available for a qualified taxpayer that was designated by MEGA as an anchor company within the last five years and that has influenced a new qualified supplier or customer to open, locate, or expand in Michigan.

A qualified taxpayer may take a credit in an amount up to 5 percent of its supplier's or customer's taxable property value within a ten mile radius of the qualified taxpayer. This credit may be taken for a period of up to five years, as determined by MEGA. Any amount that exceeds the taxpayer's tax liability may be refunded or carried forward for five years or until it is used up, whichever occurs first. To be eligible for the credit, a taxpayer must be certified by MEGA. MEGA also may provide that qualified sales to a qualified customer not be considered in calculating the sales factor for the tax year for which a credit is provided.

The statute provides for reduction, termination, or recapture of the credit if the taxpayer fails to comply with its agreement or the statute. Credit recapture is calculated on the *MBT Schedule of Recapture of Certain Business Credits and Deductions* (Form 4587). For more information, contact the MEDC at (517) 373-9808 or visit the MEDC Web site at <http://www.michiganadvantage.org/>.

**Line 74:** Enter unused credit amount from a previous period MBT return.

**UBGs:** Enter the unused credit amount from Form 4580, Part 2B, line 59, column C.

**Line 77:** Approved businesses receive a certificate from MEGA each year showing the total amount of tax credit allowed. Attach the Anchor District Tax Credit Certificate to the return. (If the certificate is not attached, the credit will be disallowed.)

**Line 80:** Add lines 76 and 79b. This amount is the Anchor Company Taxable Value credit carryforward to be used on the taxpayer's next MBT return.

***Include completed Form 4584 as part of the tax return filing.***