

**City of Hamtramck**  
INCOME TAX DEPARTMENT  
CITY HALL-3401 EVALINE AVE.  
HAMTRAMCK, MICHIGAN 48212

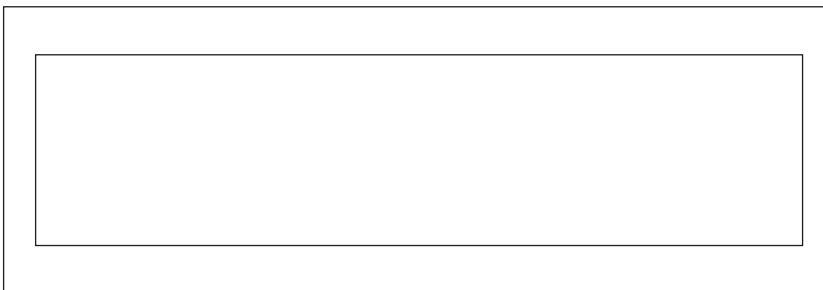
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**- IF LABEL APPEARS BELOW**



**IMPORTANT**

**PLEASE PEEL OFF LABEL AND  
AFFIX TO AREA DESIGNATED  
ON INCOME TAX RETURN.**



**CITY OF HAMTRAMCK INCOME TAX**

**2008**

**Form H-1040(NR)**

**Individual Return and Instructions for Non-Residents**

**ALL PERSONS HAVING \$600 OR  
MORE OF CITY TAXABLE INCOME MUST FILE A RETURN.**

**ATTACH SCHEDULES:** SUPPORT ALL FIGURES WITH COPIES OF FEDERAL SCHEDULES TO AVOID UNNECESSARY CORRESPONDENCE OR DELAY IN RECEIVING REFUNDS.

**ESTIMATED TAX RETURN:** YOU MAY HAVE TO FILE FORM H 1040ES, IF YOUR PAYMENT THIS YEAR IS \$100. OR MORE. SEE INSTRUCTIONS ON LAST PAGE. AVOID THE PENALTY FOR UNDERPAYMENT.

**EXEMPTION CREDIT:** \$600 FOR EACH EXEMPTION.

**FILING DATE:** YOUR RETURN MUST BE FILED BY APRIL 30, 2009. PENALTIES, AS PROVIDED BY LAW (\$2.00 MINIMUM), WILL BE ASSESSED ON ALL LATE PAYMENTS.

**PAYMENT:** TAX DUE, IF ONE DOLLAR (\$1.00) OR MORE, MUST BE PAID WITH YOUR RETURN. MAKE CHECK OR MONEY ORDER PAYABLE TO: TREASURER-CITY OF HAMTRAMCK  
MAIL YOUR RETURN AND PAYMENT, WITH EARNINGS STATEMENTS, SHOWING HAMTRAMCK TAX (FORM W-2).

Balance Due Returns AND All Other Returns  
Mail your return and remittance, with earnings statements (Form W-2) TO:

**MAILING ADDRESS:**

**CITY OF HAMTRAMCK - INCOME TAX DEPARTMENT  
3401 EVALINE STREET - HAMTRAMCK, MICHIGAN 48212  
- RETURNS MUST BE FILED BY - APRIL 30, 2009 -**

**FOR ASSISTANCE:** VISIT INCOME TAX OFFICE, CITY HALL,  
3401 EVALINE, FIRST FLOOR OR CALL 313-876-7745 FAX-313-876-7748  
HAMTRAMCK, MI 48212  
OR VISIT OUR WEBSITE @: www.hamtramck.us

The Hamtramck Income Tax is imposed under Ordinance 292 - As Amended. Enabling legislation was provided by the State of Michigan. The Uniform City Income Tax Ordinance is set forth in *Chapter 2 of Act 284 of the Public Acts of 1964*.

These instructions are intended as an aid in the preparation of your Hamtramck return.

## **INTERNAL REVENUE AUDIT ADJUSTMENTS AND OTHER CHANGES**

An amended Hamtramck return is required for any year that a determination is made by Internal Revenue Service that affects your Hamtramck tax liability. This return is due within 90 days from the date of the service's final determination.

If you file an amended Federal Tax Return that affects your Hamtramck liability, you must file an amended city return.

An amended return is filed on Form H1040X available from the Hamtramck Income Tax Office.

### **WHATS NEW? "ACT 198"**

Beginning with the 1992 Tax Returns, the City of Hamtramck will pay interest on overpayments, as shown on completed tax returns if the over-payment is not refunded within 45 days of April 30 or the filing date of the return whichever is later.

Please Note: For interest purposes, a return will not be considered complete if:

- A) The W-2 is improper or is not attached
- B) The return does not contain the required signatures
- C) The required schedules are not attached
- D) Other required information is missing from the return

The late filing interest rate will be raised to the same rate as the State.

**WHO MUST FILE A RETURN**

For each taxable year, a return must be filed by each nonresident with a specified minimum amount of gross income subject to Hamtramck tax. The income levels at which nonresidents must file for are as follows:

- Single Individual.....\$600
- Married Couple, joint return.....\$1200

**EXEMPTIONS:**

\$600.00 is allowed for each exemption. Double exemptions are allowed for paraplegic, quadriplegic, hemiplegic and totally disabled, blind, deaf, and 65 years of age or older. Children with taxable income may claim themselves as exemptions on their individual tax return even though their parents may have already claimed them.

**WHO MUST USE THIS FORM**

Individuals who were nonresidents of the city during the entire year must use this form.

An individual who was a resident during any part of the year must file Form H1040R (resident return).

**MARRIED PERSONS – JOINT OR**

**SEPARATE RETURNS**

A husband and wife may file a joint or separate returns. The total income of both spouses must be included on a joint return, and each spouse must sign the return.

**DECEASED TAXPAYER**

A final return must be filed for any person who died during the year and who is required to file as discussed under "WHO MUST FILE A RETURN". The executor, administrator or survivor must file the final return and any other return due for the decedent.

A joint return may be filed by the surviving spouse and the executor or administrator. The return must be signed by the surviving spouse and the executor or administrator.

If an executor or administrator has not been appointed the surviving spouse may file a joint return. The spouse must sign the return and add the notation "Surviving Spouse".

If a refund is due, and the claimant is not a surviving spouse, Federal Form 1310 must be filed with the return.

**TAXABLE INCOME**

The following income is subject to tax:

1. Compensation received for services rendered as an employee for work done or services performed in Hamtramck.
2. The net profits from the operation of a business or Profession that are attributable to business activity conducted in Hamtramck whether or not such business or profession is located in Hamtramck.
3. Net profit from rental or real and tangible personal property located in Hamtramck. Gain on the sale or exchange of real and tangible personal property located in Hamtramck.

**EXEMPT INCOME**

Exempt income includes:

1. Gifts, inheritances and bequests.
2. Pensions (including disability pensions) and annuities.

3. Proceeds from insurance (except that payments from a health and accident policy paid for by your employer are taxable to the same extent as provided by the Internal Revenue Code).
4. Unemployment compensation, supplemental unemployment benefits, welfare relief payments.
5. Workers' compensation, or similar payments for death, injury or illness arising out of and in the course of an employee's job.
6. Interest, dividends and other forms of intangible income. (When the receipt of interest and other intangible income is part of the business, such interest, etc., shall be considered as business income taxable to nonresidents and reported on Schedule C).
7. Military pay for members of the National Guard and the armed forces of the United States.
8. Social security benefits, railroad retirement act benefits.

**INSTRUCTIONS FOR PAGE 1**

Enter your name (husband and wife if a joint return), address, and social security number.

The number of exemptions claimed on your Hamtramck return must be the same as claimed on your Federal Tax Return. If separate returns are filed neither spouse can claim the other as a dependent.

**LINE 1** – Follow instruction (A) if you performed all (100%) of your services in Hamtramck. Use instruction (B) if you performed part of your services in Hamtramck and part of your services out of Hamtramck.

(A) Nonresidents who worked 100% of their time in Hamtramck enter total wages, salaries, commissions, etc. All your wages, including vacation pay, holiday pay, excludable under the Internal Revenue Code are taxable. All pay is judged to have the same location as the location where the employee performs his services.

(B) Nonresidents who performed part of their services in Hamtramck complete Schedule N, page 2. Enter wages earned in Hamtramck from Line 5, Schedule N, on Line 1, Page 1.

Schedule N is not required to determine Hamtramck commissions. Enter actual commission earned in Hamtramck on Line 1, Page 1 and add the notation "Commission Income".

**SCHEDULE N**

- 1) "Days Worked" refers to the actual number of days you were on the job, excluding vacation, holiday etc.
- 2) Hours may be substituted for days.

**LINE 3 – RENTAL INCOME.** Enter the net profit or loss from rentals of real tangible personal property located in Hamtramck. Attach schedules from your Federal Income Tax Return to support Line 3.

**LINE 4 – PARTNERSHIP AND OTHER INCOME**

Report your share of the partnership income (or loss) on Line 4. Enter your share of ordinary income only. Your Share of qualifying dividends capital gains or losses, etc., is treated as belonging to you as an individual.

If you are a shareholder in a tax-option corporation that has elected to file under Subchapter S of the Internal

Revenue Code, you are required to report a distribution, but you can not deduct your share of any loss sustained by the S corporation.

**Line 4** may also be used to report distributions from employees' savings or retirement stock purchase and profit sharing plans which are classified as wages not subject to withholding. If you have completed Schedule N, apply the percentage on Line 3 (Schedule N) to your total and enter on Line 4.

**Line 4** should include other income subject to tax that is not reported elsewhere on this return.

#### **LINE 5 – SALE OF TANGIBLE PROPERTY**

The gains and losses from the sale or exchange of real or tangible personal property located in Hamtramck are entered on this line. Attach schedules from your Federal Income Tax Return to support Line 5.

Gain or loss on property purchased prior to October 1, 1962 must be determined by one of the following methods:

1. The base may be the adjusted fair market value of the property on October 1, 1962 (October 2nd closing price for traded securities), or
2. Divide the number of months the property has been held since October 1, 1962 by the total number of months the property was held, and apply this fraction to the total gain or loss as reported on your Federal Income Tax Return.

#### **LINE 6 –**

Complete Schedule C, Page 2, and enter amount from Line 6. A copy of Federal Schedule C must be submitted for each business, profession, or other activity.

#### **SCHEDULE C –**

**Line 1** – Enter net profit (or loss) per federal Schedule C attached.

**Line 2** – If all your business was conducted in the city enter 100%. If you have business activity both in and out of the city, complete Schedule D.

**Line 3** – Multiply line 1 by line 2.

**Line 4** – Enter net operating loss carryover. Operating losses are carried forward; no carryback is allowed.

If 100% of a business' activity was not conducted in the city in the year in which the loss was sustained the apportionment percentage in the loss year must be applied.

**Line 5** – Enter self-employment retirement deduction multiplied by the apportionment percentage on line 4.

**Line 6** – Line 3 less lines 4 and 5. Enter on line 6 page 1.

#### **SCHEDULE D –**

**Line 1** – Enter in Column 1 the average net book value of all real and tangible personal property owned by the business regardless of location, and in Column II show the average net book value of the real and tangible personal property owned and located in the city.

The average net book value of real and tangible personal property may be determined by adding the net book value at the beginning of the year and the net book value at the end of the year and dividing the sum by two. If this method will not properly reflect the average net book value of tangible property owned during the year, any other method that will accurately reflect it will be permitted.

**Line 1a** – Enter in Column 1 the gross annual rent multiplied by 8 for all rented real property regardless of location. In Column 2 show the gross annual rent multiplied by 8 for rented real property located in the city.

Gross annual rent should include money and other consideration given for the use or possession of real property rented or leased.

**Line 2** – Enter in Column 1 total compensation paid to all employees during the year. In Column 2 show compensation paid to employees for work or services performed within the city.

**Line 3** – Enter in Column 1 the total gross revenue from all sales or services rendered during the year. In Column 2 show the amount of revenue derived from sales made or services rendered in the City.

Rental income is to be considered as derived from services rendered and is to be included in gross receipts.

#### **LINE 8 - DEDUCTIONS**

A. I.R.A.- Contributions to your individual retirement account. ATTACH PROOF OF PAYMENT. Proof of payment includes, but is not limited to copy of receipt(s) for IRA contribution, copy of federal form(s) 5498, copy of cancelled check(s), etc.

B. Business Expense, Moving Expense and Alimony may be deducted on your Hamtramck return. However, the Hamtramck deduction is limited to those expenses that are applicable to income taxable under the Hamtramck ordinance. On Form 2106 only car expenses are allowable for Hamtramck and home car purposes.

#### **PAYMENT AND CREDITS**

Claim as a credit against your tax the following:

**Line 13a** – Enter the amount of Hamtramck tax withheld. Credit will not be allowed unless Form W-2 (Wage and Tax Statement) is submitted with your return.

**Line 13b** – Enter total payment on a Hamtramck Declaration of Estimated Tax (Form H1040ES).

**Line 13C** – Claim other credits:

(1) Hamtramck tax paid for you by a partnership on Form H1065.

(2) Payment made on a tentative return.

#### **REFUND OR TAX DUE OVERPAID**

If your payment and credits on Line 13 exceed the tax indicate whether you want the overpayment refunded or credited to your 2009 estimated tax or donation to city on Line 14.

The city cannot refund an amount of less than one dollar (\$1.00)

#### **TAX DUE**

If your payments and credits on Line 13 are less than the tax enter the tax due on Line 15. Tax due of one dollar (\$1.00) or more must be paid. Payment must accompany return.

Make check or money order payable to:

**TREASURER – CITY OF HAMTRAMCK**

If you are required to pay more than \$100. with your return, you may be required to file a Declaration of Estimated Tax (Form H1040ES) for 2009. Estimated tax forms and instructions may be obtained from the Hamtramck Income Tax Department.