



AccountingAidSociety

Filing Basics

School District

The Michigan tax return requires a school district code. This is done through the TaxSlayer software with the entry of the **School District Name (School district tab in the AAS Resources can be used to look this up).** [School District Map](#)

- A complete list of school districts is in the MI-1040 Instructions book
- **The school district can be different than the name of the city in which the taxpayer lived**
 - **Always ask the taxpayer what school district they lived in on December 31st of the tax year**
(E.g., there are six different school districts that serve the City of Warren)

State Campaign Fund

Similar to the Federal Election Campaign Fund, the taxpayer (and/or spouse, if filing jointly) can choose to have \$3 of their taxes go to this fund

- Funds are only disbursed to candidates for governor, regardless of political party, who agree to limit campaign spending and meet the campaign fund requirements
- The amount of tax due or refund amount **will not change** by choosing to contribute to the State Campaign Fund

Residency

Michigan classifies individuals for tax purposes in three ways:

Residency Status	Definition	Income
Full-year resident	You're domiciled in Michigan or maintain a permanent home here and spend more than half the year in the state	All income from all sources (worldwide) is taxable by Michigan
Part-year resident	You moved into or out of Michigan during the tax year	Income earned while resident plus any Michigan-source income while a nonresident
Non-resident	You lived outside of Michigan the entire year.	Only income sourced to Michigan is taxable

Residency: Examples

- Taxpayer lived in Ohio for 4 months of the year and then moved to Michigan for the remainder,
 - Because they moved into Michigan during the tax year, they will need to file a part-year tax return.
- Taxpayer lives in Indiana and works in Michigan.
 - The taxpayer would have to file a non-resident return if they were required to file in Michigan.
- Taxpayer lives in Michigan year round and works in Wisconsin.
 - The taxpayer would file a full-year resident tax return for Michigan. If they were required to file a Wisconsin return they would file it as a non-resident.

Practice Scenario

- John is 68, single and lived in Michigan the whole year.
- He received only social security as income.
- He owns his home and pays property taxes

What kind of return will John file?

- A. Non-Resident
- B. Part-Year Resident
- C. Full-Year Resident

Practice Scenario

- John is 68, single and lived in Michigan the whole year.
- He received only social security as income.
- He owns his home and pays property taxes

What kind of return will John file?

- A. Non-Resident
- B. Part-Year Resident
- C. Full-Year Resident

Explanation: John lived in Michigan the entire year, he would be considered a full-year resident.

Michigan Filing Requirement

- Taxpayers Must File a Michigan Return if:
 - AGI is greater than their personal exemption allowance,
 - They owe tax, or
 - They are due a refund.
- An individual should file a Michigan return if they were a Michigan resident all or part of the year and filed a federal return
 - A nonresident is required to file a Michigan return if all or part of their income was earned in Michigan or was from Michigan sources

Michigan Filing Requirement

People who **SHOULD** file that do not have a Michigan filing requirement

- Anyone who may be eligible for the Homestead Property Tax Credit or the Home Heating Credit
 - Paid property taxes or rent for their primary home
 - Paid any heating costs (including those whose heat is included in their rent or in someone else's name) and are low-income (110% of Federal Poverty Line or below)
- Had any Michigan or city income taxes withheld on any paycheck

If there is no taxable income on the federal return, enter \$1 in Other Income in federal section and enter explanation, "TO E-FILE MI CREDITS."

Michigan Filing Requirement Examples

- **Example 1:** Joe files as single and his only income is a W-2 for 20,000.
 - Joe's income is higher than the personal exemption he would receive and such he is required to file.
- **Example 2:** Sarah files as single and her only income is social security. Sarah owns her own home and pays the property taxes for it.
 - Sarah is not required to file a tax return but **should** so she can claim the Homestead Property Tax Credit and Home Heating Credit
- **Example 3:** Mark lives in Ohio and works in Michigan. He had withholding taken out for Michigan.
 - Mark is not required to file a Michigan tax return, but he **should** in order to claim the withholding as a refund.

Practice Scenario

- John is 68, single and lived in Michigan the whole year.
- He received only social security as income.
- He owns his home and pays property taxes

Is John required to file a Michigan return?

- A. Yes
- B. No

Practice Scenario

- John is 68, single and lived in Michigan the whole year.
- He received only social security as income.
- He owns his home and pays property taxes

Is John required to file a Michigan return?

A. Yes



B. No

Explanation: John would not be required to file because he has no taxable income and did not pay any withholding, however John **Should** file a return to claim the Homestead Property Tax Credit and Home Heating Credit.

Filing Status

Michigan has three **filing statuses**:

- **Single**
 - Taxpayers filing their federal return as **Head of Household** or **Qualifying Surviving Spouse**, must file the Michigan return as **Single**
 - Additional exemptions will be included for dependents claimed on the federal return
- **Married Filing Jointly (MFJ)**
 - Taxpayers filing a federal return as **MFJ** must file Michigan as **MFJ**
- **Married Filing Separately (MFS)**
 - Taxpayers filing federal returns as **MFS** can file Michigan as **MFJ** or **MFS**, at their option

Practice Scenario

- Mary claims her two kids and files Head of Household on her federal return.

What will Mary's filing status be on the state of Michigan return?

- A. Head of Household
- B. Married Filing Separately
- C. Married Filing Jointly
- D. Single

Practice Scenario

- Mary claims her two kids and files Head of Household on her federal return.

What will Mary's filing status be on the state of Michigan return?

- A. Head of Household
- B. Married Filing Separately
- C. Married Filing Jointly
- D. Single

Explanation: Although Mary files as Head of Household on her federal return, her filing status for Michigan would be Single. Her dependents would allow her to claim additional personal exemptions.

Practice Scenario

Jenny comes to the VITA site to file her tax return, she mentions her husband passed during the tax year.


What will Jenny's filing status be on the state of Michigan return?

- A. Head of Household
- B. Married Filing Separately
- C. Married Filing Jointly
- D. Single

Practice Scenario

Jenny comes to the VITA site to file her tax return, she mentions her husband passed during the tax year.

What will Jenny's filing status be on the state of Michigan return?

- A. Head of Household
- B. Married Filing Separately
-  C. Married Filing Jointly
- D. Single

Explanation: If a spouse dies during the tax year, the surviving spouse is still able to file Married Filing Jointly.

Dependents

The Michigan definition of a **dependent** is identical to that of the federal law.

- Any dependents claimed on a federal return will automatically be included on the Michigan return.
- Unlike federal tax law however, a taxpayer who *can* be claimed as a dependent by someone else gets a limited Michigan personal exemption allowance.
 - We typically see this with college students who are working but still being claimed by their parents.

Example: In 2025, someone who is claimed as a dependent would receive a personal exemption of \$1,500 rather than the standard \$5,600.

Deceased Taxpayers

For taxpayers who passed during the tax year, a Michigan return can still be filed.

- The **personal representative** (also known as executor or administrator) of the estate, or another authorized **claimant**, is responsible for filing the deceased's final Michigan return.
 - A return must be filed if the taxpayer owes tax or is due a refund.
- A full-year exemption is allowed for a deceased taxpayer on the 2025 MI-1040.
- Use the decedent's name and Social Security number and the personal representatives address.
- If the taxpayer died after December 31, 2025, enter the date of death in the "Deceased Taxpayer" box on page 2 on the 2025 MI-1040.

Deceased Taxpayers

Example: Deceased with Refund Due

Facts:

- Jane Smith (SSN: XXX-XX-1234) lived in Michigan for all of 2025.
- She passed away on **October 5, 2025**.
- Her income tax withholding from wages was \$1,200. Her total Michigan tax due for 2025 was \$900.

Filing:

- Jane's personal representative, Mark Smith, files the 2025 MI-1040.
- He uses Jane's name and SSN, but his mailing address.
- Enters "10/05/2024" in the "Deceased Taxpayer" box on page 2.
- The return shows a \$300 refund, which will be issued to Mark as the authorized claimant.

Deceased Taxpayers

- The surviving spouse is considered married for the year in which the deceased spouse died and may file a joint return for that year.
 - Write their name and the decedent's name and both Social Security numbers on the MI-1040.
 - Write "DECD" after the decedent's last name.
 - TaxSlayer will do this automatically if the taxpayer is marked as deceased.
- All of the decedent's income must be reported.
- In the deceased's signature line, write "Filing as surviving spouse."
- If the taxpayer died after December 31, 2025, enter the date of death in the "Deceased Taxpayer" box on page 2 of the MI-1040.

Deceased Taxpayers

Example: Surviving Spouse

Facts:

- John Doe (SSN: XXX-XX-1111) and Mary Doe (SSN: XXX-XX-2222) were married all of 2025.
- John passed away on **August 15, 2025**.
- Combined Michigan income tax withholding: \$2,000.
- Total Michigan tax due for the year: \$1,500.

Filing:

- Mary files a **joint 2025 MI-1040**.
- Names entered: “John Doe DECD” and “Mary Doe” with both SSNs.
- Date of death “08/15/2025” entered in the “Deceased Taxpayer” box.
- On John’s signature line, Mary writes “**Filing as surviving spouse**”.
- The \$500 refund is issued to Mary.

Deceased Taxpayers

- If filing as a personal representative or claimant and they are claiming a refund for a single deceased taxpayer, U.S. Form 1310 or Michigan Claim for Refund Due a Deceased Taxpayer (MI-1310) must be included.
 - Form must also be included if filing as a personal representative or claimant of a deceased taxpayer(s) for a jointly filed return
- For a single deceased taxpayer: Enter the decedent's name in the Filer's Name lines and the representative's or claimant's name, title, and address in the Home Address line.
- For a jointly filed return: Enter the name(s) of the deceased persons(s) in the Filer's and/or Spouse's Name lines and the representative's or claimant's name, title, and address in the Home Address line.

Practice Scenario

Karen came into the tax site to file her tax return. During the interview she mentions she always files jointly with her husband but last year her husband passed away on July 12, 2025. Their only income was social security.

What would Karen's filing status be?

- A. Single
- B. Married filing jointly or Married filing separately
- C. Head of Household
- D. Qualified Surviving Spouse

Practice Scenario

Karen came into the tax site to file her tax return. During the interview she mentions she always files jointly with her husband but last year her husband passed away on July 12, 2025. Their only income was social security.

What would Karen's filing status be?

- A. Single
- ➡ B. Married filing jointly or Married filing separately
- C. Head of Household
- D. Qualified Surviving Spouse

Explanation: As the surviving spouse Karen is still considered married for the tax year in which he passed, as such she must file as either Married filing jointly or married filing separately.

Practice Scenario

Karen came into the tax site to file her tax return. During the interview she mentions she always files jointly with her husband but last year her husband passed away on July 12, 2025. Their only income was social security.


If the return is being paper filed, how would she sign for her husband?

- A. She would sign her name
- B. She would sign his name
- C. She would leave it blank
- D. She would write "Filing as Surviving Spouse"

Practice Scenario

Karen came into the tax site to file her tax return. During the interview she mentions she always files jointly with her husband but last year her husband passed away on July 12, 2025. Their only income was social security.

If the return is being paper filed, how would she sign for her husband?

- A. She would sign her name
- B. She would sign his name
- C. She would leave it blank
-  D. She would write "Filing as Surviving Spouse"

Explanation: On the signature line for her husband she would write "Filing as Surviving Spouse" and sign on her line normally.

Practice Scenario

Sharon is filing a return for her mother who passed away during the tax year.

Whose address should be used on the return?

- A. Sharon's Address
- B. Her mother's address
- C. No address

Practice Scenario

Sharon is filing a return for her mother who passed away during the tax year.

Whose address should be used on the return?



- A. Sharon's Address
- B. Her mother's address
- C. No address

Explanation: When filing the return the representative or individual filing on the deceased behalf should use their own address.

Practice Scenario

Sharon is filing a return for her mother who passed away during the tax year.

What form must be included to claim the refund?

- A. MI-1310
- B. Form 8888
- C. Form 8962
- D. MI-8949

Practice Scenario

Sharon is filing a return for her mother who passed away during the tax year.

What form must be included to claim the refund?

- ➡ A. MI-1310
- B. Form 8888
- C. Form 8962
- D. MI-8949

Explanation: Sharon would have to include MI-1310, Claim for Refund Due a Deceased Taxpayer with the tax return.

End of Filing Basics

Take a few moments with your table and discuss any questions you may have regarding this topic.