

2022
CITY OF GRAND RAPIDS INCOME TAX

RESIDENT FORMS AND INSTRUCTIONS
Form GR-1040R—Individual Return

For use by individuals who were residents of the City of Grand Rapids at any time during 2022.

FILING DATE: Your return must be filed by May 1ST, 2023

REMITTANCE: Make remittance payable to: GR City Income Tax

MAILING ADDRESS: Mail your return and remittance, with W-2 forms to:

Grand Rapids Income Tax
P.O. Box 347
Grand Rapids, MI 49501-0347



Telephone number: (616) 456-3415 Option 0



Office hours: Monday, Tuesday, Thursday, Friday
8 a.m. to 5:00 p.m. Wednesday - 8am to 7pm
(April 5th to April 26th) Saturday 8am- 2pm on
February 11th, March 11th, March 25th, April 1st,
April 15th, April 22nd, & April 29th.



Phone hours:
Monday through Friday 8 a.m. to 5:00 p.m.
Wednesday 8am- 7pm (March 8th to April 26th)

Website: www.grcity.us/incometax

RESIDENTS

If you lived in the Grand Rapids city limits for entire year, you will file a resident tax return. Residency is based on your home address – even if you were renting your home. If you moved during the year and lived both inside and outside of the Grand Rapids city limits, you will file as a part-year resident. See separate part-year tax form, instructions and Sch TC (part-year resident schedule) if applicable.

All income of Grand Rapids residents is taxable, including wages and other income earned outside of the Grand Rapids city limits. In general, if income is taxable on the federal tax return, it is taxable to Grand Rapids. The exception to taxable wages would be pay received as an active-duty military member, including Reserve and National Guard Pay.

Interest and Dividend (**Lines 2 and 3**) income is taxable unless the source was from a federal government obligation (U.S. Bonds, Treasury bills and notes, etc.).

Alimony (**Line 5**) received by residents is taxable to Grand Rapids. Gambling winnings (report on **Line 16**) are also taxable to residents.

Line 7 – Capital Gain or (Losses)

The Uniform City Income Tax Ordinance follows the Internal Revenue Code regarding capital gains. **All capital gains realized while a resident are taxable regardless of where the property is located, with the following exceptions:**

1. Capital gains on sales of obligations of the United States and subordinate units of government.
2. The portion of the capital gain or loss on property purchased prior to the inception of the Grand Rapids income tax ordinance that is attributed to the time before inception ordinance.
3. Capital loss carryovers that originated prior to the taxpayer becoming a resident of Grand Rapids are not deductible.

Capital losses are allowed to the same extent they are allowed under the Internal Revenue Code and limited to \$3,000 per year. Unused net capital losses may be carried over to future tax years. The capital loss carryover for Grand Rapids may be different than the carryover for federal income tax purposes.

Deferred capital gain income from installment sales and like-kind exchanges are taxable in the same year reported on the taxpayer's federal income tax return.

Flow through income or loss from an S corporation reported on federal Sch. D is taxable. **Attach copies of federal Sch. K-1 (Form 1120S).**

Residents reporting capital gains or losses **must attach a copy of federal Schedule D.**

Excluded capital gains must be explained by completing and attaching the Exclusions and Adjustments to Capital Gains or (Losses) schedule.

Line 8 – Other Gains (or Losses)

Other gains or losses are taxable to the extent that they are taxable on the federal 1040. Other gains and losses realized while a resident are taxable regardless of where the property is located, except the portion of the gain or loss on property purchased prior to the inception of the Grand Rapids Income Tax Ordinance.

Deferred other gains from installment sales and like-kind exchanges are taxable in the year recognized on the federal income tax return. **Deferred gains must be supported by attaching a copy of federal Form 6252 and/or Form 8824.**

Residents reporting other gains and losses **must attach a copy of federal Form 4797.**

Flow through income or loss from an S corporation reported on federal Form 4797 of a resident is taxable. **Attach copies of federal Schedule K-1 (Form 1120S).**

Use the Exclusions and Adjustments to Other Gains or (Losses) schedule to compute exclusions and adjustments to other gains and losses reported on your federal income tax return.

Line 9 – IRA Distributions – PLEASE ATTACH 1099-R FORM(S)

IRA distributions qualifying as retirement benefits are not taxable to Grand Rapids. Excludible IRA distributions are typically designated with

Distribution Code 7 in Box 7 of the 1099-R form, are received after age 59½ or described by Section 72(t) (2)(A)(iv) of the IRC.

Premature IRA distributions – typically designated with Distribution Code 1 in Box 1 of the 1099-R form and received prior to age 59½ - are taxable to Grand Rapids.

Line 10 – Pensions and Annuities – PLEASE ATTACH 1099-R FORM(S)

Pension and retirement benefits **NOT** taxable (typically designated by Distribution Code 7 in Box 7 of the 1099-R form) to Grand Rapids include:

1. Pension plans that define eligibility for retirement and set contribution and benefit amounts in advance.
2. Qualified retirement plans for the self-employed. Benefits from any of the previous plans received on account of disability or as a surviving spouse if the decedent qualified for the exclusion at the time of death.
3. Distributions from a 401(k) or 403(b) plan attributable to employer contributions or attributable to employee contributions to the extent they result in matching contributions by the employer.
4. Benefits paid to an individual from a retirement annuity policy that has been annuitized and paid over the life of the individual.

Pension and retirement benefits that **ARE** taxable (typically designated by Distribution Code 1 in Box 7 of the 1099-R form) to Grand Rapids include:

1. Premature pension plan distributions (those received prior to qualifying for retirement).
2. Amounts received from deferred compensation plans that let the employee set the amount to be put aside and do not set retirement age or requirements for years of service. These plans include, but are not limited to, plans under IRC Sections 401(k), 457 and 403(b):
 - Amounts received before the recipient could retire under the plan provisions, including amounts paid on separation, withdrawal or discontinuance of the plan;
 - Amounts received as early retirement incentives, unless the incentives were paid from a pension trust;
3. Benefits paid from a retirement annuity policy other than annuitized benefits paid over the life of the individual are taxable to the same extent taxable under the Internal Revenue Code.

1099-R DEATH BENEFITS INDICATED BY DISTRIBUTION CODE 4 OF THE 1099-R FORM (Both Lines 9 and 10). If you received a distribution as the surviving spouse of the decedent, the income is not taxable to Grand Rapids. The income is taxable to all other recipients.

Line 11 – Rental real estate, royalties, partnerships, S Corporations, trusts, etc. – PLEASE ATTACH FEDERAL SCH E

Except for royalty income upon which Michigan severance tax was paid, all income reported on federal Schedule E is taxable. A resident's share of an S corporation's flow through income is taxable to the same extent and on the same basis the income is taxable under the Internal Revenue Code. Royalty income upon which Michigan severance tax was paid is to be reported in column B (income excludible to Grand Rapids).

Line 16 – Other Income. Any other income taxable to Grand Rapids for which there is not a specific line is reported here. For residents, this includes gambling winnings, tribal income, etc. If you had a Net Operating Loss (NOL), report the loss amount on Line 16 and attach supporting documentation.

Line 24, Box C – Credit for tax paid to another city. If you worked in another taxing city (such as Walker) you can claim the other city tax credit. Please attach page 1 of the other city's return to support the amount claimed. Failure to attach page 1 of the other city's tax return will result in a denial of the credit.

See GENERAL INSTRUCTIONS FOR ALL FILIERS for mailing addresses.

INDIVIDUAL RETURN DUE APRIL 30, 2023

Taxpayer's SSN		Taxpayer's first name Initial Last name		RESIDENCE STATUS	
Spouse's SSN		If joint return spouse's first name Initial Last name		<input checked="" type="checkbox"/> Resident <input type="checkbox"/> Nonresident <input type="checkbox"/> Part-year resident	
Mark (X) box if deceased <input type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse		Present home address (Number and street) Apt. no.		Part-year resident - dates of residency (mm/dd/yyyy)	
Enter date of death on page 2, right side of the signature area		Address line 2 (P.O. Box address for mailing use only)		From To	
Mark box (X) below if:		City, town or post office State Zip code		FILING STATUS	
<input type="checkbox"/> Federal Form 1310 attached		Foreign country name Foreign province/county Foreign postal code		<input type="checkbox"/> Single <input type="checkbox"/> Married filing jointly <input type="checkbox"/> Married filing separately. Enter spouse's SSN in Spouse's SSN box and Spouse's full name here.	
<input type="checkbox"/> Itemized deductions on your Federal tax return for 2022				Spouse's full name if married filing separately	

INCOME		Column A	Column B	Column C
(Drop amounts under \$0.50 and increase amounts from \$.50 to \$0.99 to next dollar)		Federal Return Data	Exclusions/Adjustments	Taxable Income
1. Wages, salaries, tips, etc. (W-2 forms must be attached)	1			
2. Taxable interest	2			
3. Ordinary dividends	3			
4. Taxable refunds, credits or offsets of state and local income taxes	4			NOT TAXABLE
5. Alimony received	5			
6. Business income or (loss) (Attach copy of federal Schedule C)	6			
7. Capital gain or (loss) (Attach copy of fed. Sch. D) 7a. <input type="checkbox"/> Mark if federal Sch. D not required	7			
8. Other gains or (losses) (Attach copy of federal Form 4797)	8			
9. Taxable IRA distributions (Attach copy of Form(s) 1099-R)	9			
10. Taxable pensions and annuities (Attach copy of Form(s) 1099-R)	10			
11. Rental real estate, royalties, partnerships, S corporations, trusts, etc. (Attach copy of federal Schedule E)	11			
12. Subchapter S corporation distributions (Att. copy of fed. Sch. K-1)	12	NOT APPLICABLE		
13. Farm income or (loss) (Attach copy of federal Schedule F)	13			
14. Unemployment compensation	14			NOT TAXABLE
15. Social security benefits	15			NOT TAXABLE
16. Other income (Attach statement listing type and amount)	16			
17. Total additions (Add lines 2 through 16)	17			
18. Total income (Add lines 1 through 16)	18			
19. Total deductions (Subtractions) (Total from page 2, Deductions schedule, line 7)			19	
20. Total income after deductions (Subtract line 19 from line 18)			20	
21. Exemptions (Enter the total exemptions, from Form CF-1040, page 2, box 1h, on line 21a and multiply this number by \$600 and enter on line 21b)			\$600 21a <input type="checkbox"/> 21b	
22. Total income subject to tax (Subtract line 21b from line 20)			22	
23. Tax at (tax rate) (Multiply line 22 by resident rate for city 1.5% and enter tax on line 23b, or if using Schedule TC to compute tax, check box 23a and enter tax from Schedule TC, line 23d)			23a <input type="checkbox"/> 23b	
24. Payments and credits 24a <input type="checkbox"/> GR tax withheld 24b <input type="checkbox"/> Other tax payments (est, extension, or fwd, partnership & tax option corp) 24c <input type="checkbox"/> Credit for tax paid to another city Total payments & credits 24d				
25. Interest and penalty for: failure to make estimated tax payments; underpayment of estimated tax; or late payment of tax 25a <input type="checkbox"/> Interest 25b <input type="checkbox"/> Penalty Total interest & penalty 25c				
TAX DUE 26. Amount you owe (Add lines 23b and 25c, and subtract line 24d) MAKE CHECK OR MONEY ORDER PAYABLE TO: CITY OF GRAND RAPIDS, OR TO PAY WITH A DIRECT WITHDRAWAL mark (X) pay tax due, line 31b, and complete lines 31c, d & e)			PAY WITH RETURN 26	
OVERPAYMENT 27. Tax overpayment (Subtract lines 23b and 25c from line 24d; choose overpayment options on lines 28 - 30)			27	
28. Amount of overpayment donated 28a <input type="checkbox"/> Donation 1 28b <input type="checkbox"/> Donation 2 28c <input type="checkbox"/> Donation 3 Total donations 28d				
29. Amount of overpayment credited forward to 2023 Amount of credit to 2023 >>			29	
30. Amount of overpayment refunded (Line 27 less lines 28d and 29) (For refund to be directly deposited to your bank account, mark refund box, line 31a, and complete line 31 c, d & e) Refund amount >>			30	
31. Direct deposit refund or direct withdrawal payment (Mark (X) appropriate box 31a or 31b and complete lines 31c, 31d and 31e)	31a <input type="checkbox"/> Refund (direct deposit) 31c Routing number 31b <input type="checkbox"/> Pay tax due (direct withdrawal) 31d Account number		31e Account Type:	31e1. Checking 31e2. Savings

Taxpayer's name

Taxpayer's SSN

EXEMPTIONS SCHEDULE

Form with fields for exemptions: 1a. You, 1b. Spouse, 1c. List Dependents, 1d. List Dependents, 1e. Enter the number of boxes checked on lines 1a and 1b, 1f. Enter number of dependent children listed on line 1d, 1g. Enter number of other dependents listed on line 1d, 1h. Total exemptions (Add lines 1e, 1f and 1g; enter here and also on page 1, line 21a)

EXCLUDED WAGES AND TAX WITHHELD SCHEDULE (See instructions. Resident wages generally not excluded)

Table with 8 columns: W-2 #, Col. A T or S, COLUMN B SOCIAL SECURITY NUMBER, COLUMN C EMPLOYER'S ID NUMBER, COLUMN D EXCLUDED WAGES, FAILURE TO ATTACH W-2 FORMS TO PAGE 1 WILL DELAY PROCESSING OF RETURN. WAGE INFORMATION STATEMENTS PRINTED FROM TAX PREPARATION SOFTWARE ARE NOT ACCEPTABLE, COLUMN E GR TAX WITHHELD, COLUMN F LOCALITY NAME

DEDUCTIONS SCHEDULE (See instructions; deductions allocated on the same basis as related income)

Table with 2 columns: DEDUCTIONS (lines 1-7), DEDUCTIONS (values)

ADDRESS SCHEDULE (Where taxpayer (T), spouse (S) or both (B) resided during year and dates of residency)

Table with 4 columns: MARK T, S, B, List all residence (domicile) addresses, FROM MONTH DAY, TO MONTH DAY

THIRD PARTY DESIGNEE

Do you want to allow another person to discuss this return with the Income Tax Office? Yes, complete the following No

Designee's name, Phone No., Personal identification number (PIN)

Under the penalty of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete.

SIGN HERE: TAXPAYER'S SIGNATURE, SPOUSE'S SIGNATURE, Date (MM/DD/YY), Taxpayer's occupation, Spouse's occupation, Daytime phone number, If deceased, date of death

Some cities are using new communication methods. If your City participates and you would like email notifications regarding important changes and Income Tax related information please provide your email address. No City will email you asking for your social security number. Email

PREPARER'S SIGNATURE: SIGNATURE OF PREPARER OTHER THAN TAXPAYER, FIRM'S NAME, Date (MM/DD/YY), PTIN, EIN or SSN, Preparer's phone no., NACTP software number

GRAND RAPIDS INCOME TAX DEPT.
300 Monroe Ave NW
Grand Rapids, MI 49503

PLEASE REMEMBER TO:

- ✓ Sign your return. If a joint return, both spouses must sign even if only one had income subject to Grand Rapids income tax.
- ✓ Attach copies of Form(s) W-2. If you are claiming a credit for Grand Rapids withholding, the locality name on your W-2 must be Grand Rapids.