

**CITY OF LAPEER INCOME TAX DEPARTMENT  
INSTRUCTIONS FOR  
DECLARATION OF ESTIMATED INCOME TAX L-1040ES**

**WHO MUST FILE A DECLARATION**

- A. Individuals and Unincorporated Businesses-Every resident or nonresident who expects taxable income, from which the city income tax will not be withheld, must file a Declaration of Estimated Income Tax. A Declaration is not required if the estimated tax is one hundred dollars (\$100.00) or less. Joint filers must file a joint declaration.
- B. Corporations-Every Corporation (including S-corporations) subject to the tax on all or part of its net profit must file a Declaration of Estimated Income Tax. A Declaration is not required from corporations if the estimated tax is two hundred fifty dollars (\$250.00) or less.
- C. Partnerships-A partnership which elects to pay the tax on behalf of its partners must file a Declaration of Estimated Income Tax if the tax due from the partnership is expected to exceed one hundred dollars (\$100.00). If the partnership elects to pay the tax on behalf of the partners, a partner will not be required to file a declaration as an individual unless the partner has other income on which the Lapeer income tax is expected to exceed one hundred dollars (\$100.00).

**WHEN AND WHERE TO FILE DECLARATIONS AND PAY TAX**

- A. Calendar Year-The declaration for the year must be filed on or before April 30 of the present year or when you become liable during the year.
- B. Fiscal Year-The Declaration for a fiscal year must be filed within four (4) months after the beginning of the fiscal period.
- C. Payment-The estimated tax may be paid in full with the Declaration or in four (4) equal installments. Calendar year installments are due on or before April 30, June 30, September 30 and January 31 of the next year. Fiscal year installments are due on or before the end of the fourth, sixth, ninth and thirteenth month after the beginning of the fiscal year. Each installment must accompany one of the vouchers provided.
- D. Where to send payments-The Declaration and quarterly payments shall be made payable to Treasurer, City of Lapeer, 576 Liberty Park, Lapeer, Michigan 48446.

**INCOME SUBJECT TO LAPEER CITY INCOME TAX**

- A. Residents-All salaries, wages, bonuses, commissions and other compensation; net profits from business or profession; net rental income; capital gains less capital losses; dividends and interest; income from estates and trusts; and other income.
- B. Nonresidents-Salaries, wages, bonuses, commissions and other compensation for services rendered or work performed in Lapeer; net rental income from property in Lapeer; net profits from a business, profession, or other activity to the extent that it is from work done, services rendered or

activity conducted in Lapeer; capital gains less capital losses from the sale of real or tangible personal property located in Lapeer.

**WITHHOLDING TAX CREDITS AND OTHER CREDITS**

- A. Withholding Tax Credit-You may subtract from your estimated Lapeer Income Tax the amount of Lapeer income tax expected to be withheld.
- B. Income Tax Paid by Partnership-If you are a member of a partnership which elects to file a return and pay the tax on behalf of its partners, you may subtract from your estimate of Lapeer income tax, the amount of tax expected to be paid by the partnership for your distributive share of net profits.
- C. Income Tax Paid to Another Michigan City:-If you are a resident of the City of Lapeer and pay income tax to another city in Michigan on income earned outside the City of Lapeer, you may subtract from your estimate of Lapeer Income Tax the amount of income tax expected to be paid to another city. The credit may not exceed the amount of taxes assessable under the Lapeer Income Tax Ordinance on the same income of a nonresident.

**AMENDED DECLARATION**

If, after you have filed a Declaration, you find that your estimated tax is substantially increased or decreased as a result of a change in your income or exemptions, you may amend your estimate at the time of making any quarterly payment by adjusting the quarterly payment due.

**INTEREST AND PENALTY**

If the total amount of tax withheld, tax credits and estimated tax paid is less than seventy percent (70%) of the tax due of the current or immediately preceding year, interest and penalty will be charged.

**CALCULATION OF ESTIMATED INCOME TAX**

A worksheet is provided on the next page, along with your payment record. Please retain the worksheet for your records. The annual return for the previous year may be used as the basis for computing your declaration of estimated tax for the current year. The same figures used for estimating your federal income tax, adjusted to exclude any income not taxable or deductions not allowed under the Uniform City Income Tax Ordinance (MCL 141.601 et seq.), may be used.

**The filing of a declaration of estimated tax does not excuse the taxpayer from filing an annual income tax return even though there is no change in the declared tax liability.**