

Session I (3/22)

1. How do we know if AGI is greater than personal exemption allowance?
A: If your adjusted gross income (AGI) is greater than your Michigan personal exemption allowance (\$4,900 in 2021) then you should complete an MI-1040.
2. Where can we get 1040-NR and other forms?
A: Federal forms are located at www.irs.gov. Michigan forms are located at www.michigan.gov/treasury.
3. Does it mean that we do not have to report our tax if we earn less than \$4900?
A: You are not required to file a Michigan return if your federal Adjusted Gross Income (AGI) is less than your Michigan prorated personal exemption allowance. However, someone who filed a federal tax return using a Michigan address and did not file a Michigan tax return may receive correspondence from the Michigan Department of Treasury inquiring why a Michigan return was not filed. For this reason, it may be beneficial to file a Michigan tax return to demonstrate no tax is due.
4. I have a question regarding the Fed tax return. Last year I received 1099G related to a state tax refund (J-1 tax treaty). Do I have to report this as taxable gross when filing my fed tax return?
A: This is a question regarding the federal return, we cannot advise on this issue.
5. How do we know if we have a tax withheld by Michigan?
A: Typically, you would receive a tax document such as a W-2 or 1099 that would display the amount of withholding and the state it was paid to.
6. If a non-resident student receives scholarship and salary as a temp employee, do they still need to file for the scholarship?
A: We cannot advise if you are required to file a federal return. However, if your adjusted gross income (AGI) is greater than your prorated Michigan personal exemption allowance then you should complete an MI-1040.
7. How would we know if we owe taxes or are supposed to get a tax refund?
A: Completing the federal and Michigan returns will determine if you have a tax due or a refund.
8. If I previously filed MI-1040 as a resident, but after this presentation I have learnt I am a Non-Resident. Will that have any affect on my records ?
A: You may want to file an amended return to make the necessary adjustments to the return. If you are claiming a refund on your amended return, you must file it within four years of the due date of the original return. Please refer to the Michigan Individual Income Tax Instruction Booklet on how to assemble an amended return. You may find further instructions and the form to amend on our website at: www.michigan.gov/taxes/iit-forms.
9. Is the AGI written in the box 11 of 1040-NR form? And if this number is below 4900\$ then I won't need to file a Michigan state tax, is it correct? More specifically, I only

received non-compensatory income from a scholarship (total amount is less than 4900\$). It is subject to IRS withholding requirements. I don't want to claim a refund.
A: Federal adjusted gross income (AGI) is found on line 11 of the federal 1040-NR. If your AGI is less than your prorated Michigan exemption allowance, you are not required to file a Michigan return.

10. What might happen if a non-resident missed the submission deadline?

A: There are no penalties for filing a return late. However, there may be penalties and interest assessed if the return computes to a tax due and the tax due was paid late.

11. How to file an amended Michigan tax return?

A: Please refer to the Michigan Individual Income Tax Instruction Booklet on how to assemble an amended return. You may find further instructions and the form to amend on our website at: <https://www.michigan.gov/taxes/iit-forms>

12. I am a graduate student on an F1 visa working on campus. I have deductions in my paycheck for: MI withholding, Fed MED/EE tax, Social Security deductions, Med tax , state income tax. Are these taxes valid for F1 students deductions and how can we get a refund for these?

A: You would need to file a 2021 Michigan return to claim a refund for Michigan taxes withheld.

13. I am a second-year PhD student at the University of Michigan, but did my first year (2020 fall/winter semesters) entirely online from Korea. (1) Am I still able to file a tax return for the year 2020? (2) If so, the tax filing site only seems to allow me to file for the 2021 year. Could you direct me toward where on the site I need to navigate to, in order to file a tax return for the past year?

A: Yes, you are still able to file a Michigan return for the 2020 tax year. You have four years from the return due date to claim a refund. Therefore, the deadline to file a 2020 Michigan return for a refund is May 17, 2025.

We are unable to advise on tax software questions. The 2020 Michigan tax forms are located on the State of Michigan website www.michigan.gov/taxes/iit-forms.

14. Would a GSRA Tuition waiver count as a scholarship amount?

A: This would be a federal/university question. We cannot advise on this question.

15. Abigail Smith 1042-S refers to work done in MI (at least that's what I read from 1042-S). Why does the amount \$6000 appear among the taxable income from other states?

A: Scholarships and grants received by nonresidents are tax exempt by Michigan, therefore, it would be allocated to other states.

16. Where can we find the Schedule 1 Form?

A: You may find Michigan Form Schedule 1 on our website at: <https://www.michigan.gov/taxes/iit-forms>

17. I am filling the 8843. Do I leave part 2, 4, and 5 blank if I don't have any such conditions? Do I need to attach any tax returns if I don't have any income? Is there a specific address/contact number to fill in for the U of M?

A: This is a federal issue and we cannot advise on this question.

18. I am a fellow and I receive a stipend which is a scholarship, do I need to fill the tax form?

A: Scholarships for non-residents are tax exempt for Michigan. If scholarship income is the only income received, you would not be required to file a Michigan return.

19. I think I should have received a 1042s from the university, as I had a fellowship for WN21 semester. But I have only got a W2. Whom should I contact?

A: You would need to contact the university.

20. How to file taxes for income from short-term and long term capital gains from the share market?

A: We cannot advise on this question. This is a federal issue.

21. Should I file a Michigan tax return as a married file separately (like a federal return) or can I file a married file jointly?

A: If you filed your federal return as married filing separately you may file your Michigan return as married filing separately or married filing jointly. If you filed your federal return as married filing jointly you must file your Michigan return as married filing jointly.

22. What does it mean if we need to file the federal form before filing the Michigan tax return form? Do we need to mail it to the Treaty or do we just need to have it filled out and prepared?

A: State income tax returns are built from federal income tax return information. The federal tax return must be prepared before you begin a Michigan tax return. Instructions on where to send the federal income tax return can be found at www.irs.gov.

23. I have used the Glacier software and only have to send in a form 8843, not additional tax forms. I have no US or Michigan based income in 2021. Just to make sure, in this situation I would not have to file for taxes in Michigan right?

A: You are not required to file a Michigan return if you are not required to file a federal return or if you do not Michigan taxable income.

24. Is there a difference in online vs. physical filing? Would you recommend one over the other?

A: There are two methods for filing a Michigan return: 1) Electronic Filing (e-file) or 2) Paper filing. Please visit www.michigan.gov/treasury for more information on e-filing your return or paper filing your return.

25. My friend came as a J1 scholar, and her son came as a J2 dependent. But her son doesn't have SSN, how can she report that she has a son in the tax software in this case? The software is asking for SSN when she's trying to file her taxes.

A: We cannot advise on this question. This is a federal issue. We suggest contacting the IRS on this matter.

26. What about income earned outside of the US before moving to the states?

A: For a nonresident, you would consider only Michigan items included in federal adjusted gross income to determine if the filing of a Michigan tax return is required. Income outside the state of Michigan by a nonresident is not taxable in Michigan.

27. When I filed my 2020 Michigan Taxes (via H&R Block) I was elected with a state refund. However, later in May I got a letter from Michigan Taxes saying that it was wrong and I should pay some amount. I then paid for it. How should I include these "extra" paid

taxes? As of now Glacier is adding the value from box 17 of W2 to the value to answer this question "For 2020 did you file a STATE tax return on which you were required to pay additional STATE tax for 2020?". As of now, I have a larger value in line 12a of form 1040NR than in my W2. Is this how it should be done?

A: We cannot advise on software or federal return issues.

28. What if someone without a visa was on a scholarship from UMich before moving here, got an F1 visa, moved here and has been a GSI with a salary since then?

A: Not sure exactly what the question is asking. Scholarship income is Michigan tax exempt for non-residents. Money received for teaching in Michigan would be taxable unless exempt by Treaty.

29. I am wondering if one only has GSI/GSRA income, will we owe tax or can we have a refund in general?

A: It would depend on how much tax was withheld from your income. Generally, if the tax withheld is more than the tax liability, than you would receive a refund.

30. I received a 1042 -S form for selling stocks last month. I had earned these stocks working outside the US. Do I have to pay state taxes on my earnings from stocks? The amount was directly transferred to my home country's bank account.

A: We cannot advise on this question. This is a federal issue.

31. Can we get a tax return if our income is lower than 4900? since you just mentioned that for those getting income lower than 4900 is not required to file tax return forms (although recommended

A: If you filed a federal tax return and have taxable income in Michigan that is not exempt from treaty then you should file a Michigan tax return. If your adjusted gross income (AGI) is greater than your prorated Michigan personal exemption allowance (\$4,900 before proration in 2021) then you should complete an MI-1040. However, someone who filed a federal tax return using a Michigan address and did not file a Michigan tax return may receive correspondence from Michigan inquiring why a Michigan tax return was not filed. For this reason, it may be beneficial to file a Michigan tax return to demonstrate that no tax is due.

32. If I worked remotely out of state (out of country), but was paid by the UoM, do I fill out the forms as normal?

A: We cannot advise on federal filing. For information on federal filing, please visit <https://www.irs.gov>. If you were not physically located in Michigan when the income was earned, that income would not be taxable to Michigan and you would not be required to file a Michigan return.

33. Do we need to mail the return we prepare or is there a way to file it online?

A: There are two methods for filing a Michigan return: 1) Electronic Filing (e-file) or 2) Paper filing. Please visit www.michigan.gov/taxes for more information on e-filing your return or paper filing your return.

34. Do I need to input info from forms 1095C or 1098T in any federal or state tax?

A: The Michigan return begins with federal adjusted gross income. Whether the information from those forms should be included in the federal adjusted gross income would be a federal issue and we cannot advise on federal issues.

35. I received the W-2 form for my GSRA/GSI wages for the past year. Am I expected to receive any other form (1040-S) reflecting the tuition waiver as a financial aid?

A: We cannot answer this question. The 1042-S would be issued by the University, we suggest contacting your university.

36. The amount is greater than 4900 but I am still unsure what the tax process will be

A: If you filed a federal tax return and have taxable income in Michigan that is not exempt from treaty then you should file a Michigan tax return. If your adjusted gross income (AGI) is greater than your prorated Michigan personal exemption allowance (\$4,900 before proration in 2021) then you should complete an MI-1040. Please refer to the Michigan Individual Income Tax Instruction Booklet on how to assemble a Michigan Individual Tax return (MI-1040). You may find further instructions and all Michigan tax forms to on our website at: <https://www.michigan.gov/taxes/iit-forms>

37. Am I right that tax treaties lower the AGI (as declared on the federal form) but do not have to be declared explicitly on the Michigan form?

A: The Michigan income tax return is built off of the federal income tax return. Tax treaties adjustments included in adjusted gross income do not have to be declared explicitly on the Michigan return.

38. If you have a w2, do you also need a 1042s? or Is it just one or the other?

A: This is a question specific to each person's situation. Some people may have both, or one or the other. Some people may have neither. It depends on the type of work they do or the type of funds they received.

38. Can I email my questions to someone?

A: Questions can be emailed to TreasuryOutreach@michigan.gov

Session II (3/23)

1. Is being a UM Grader considered taxable income?

A: For Michigan tax purposes, if you received income that was taxable federally and included in your federal adjusted gross income, then that income may be subject to Michigan income tax. Please contact your university if you still have questions on this matter.

2. Are scholarship amounts credited to student accounts treated as income as well?

A: This is a federal issue or an issue to bring up with your University, we cannot advise on this question.

3. Are student funds (internship funds, travel funds) considered taxable?

A: This is a federal issue and we cannot advise on this question.

4. If you are a graduate student with a fellowship and also worked as a UM Michigan employee do I have to file schedule NR, schedule 1 and W?

A: If you have Michigan taxable income and are a nonresident, you are required to file an MI-1040 and supporting Michigan Schedules (Michigan Schedule NR, Michigan Schedule 1, and Michigan Schedule W.)

5. If you are a resident for federal taxes, but non-resident in Michigan, do you still file a NR or not?

A: If you are a non-resident for Michigan but have Michigan taxable income greater than your prorated exemption allowance, you would need to file an MI-1040, Michigan Schedule NR, Michigan Schedule 1, and Michigan W (if you had withholding).

6. Am I required to file any taxes if my earnings from a summer internship were less than \$5k?

A: If your summer internship was performed in the state of Michigan and your federal Adjusted Gross Income (AGI) is greater than your prorated Michigan personal exemption allowance, you would need to file a Michigan Individual Income Tax Return (MI-1040), Schedule NR, Schedule 1, and a Schedule W (if you had withholding). For more information see the PowerPoint presentation.

7. Is the 1042 form given to us by the employer?

A: The 1042 is a federal form. The 1042-S forms are federal forms issued by the organizations who issued the income to you. Please check with your university for more guidance on a 1042-S.

8. Hi, The AGI in federal 1040 NR excludes the exempted amount (\$5000) under treaty between USA and China. Does state tax allow such exemptions and how? If it is not exempt in state tax, then the AGI in line 11 on fed 1040-NR will be less than schedule NR line-14 column-A for state tax. Then in this case, what should we enter in MI-1040 line 10: AGI from Fed 1040-NR or schedule NR?

A: The Michigan return begins with federal adjusted gross income (AGI). Line 11 of the federal 1040-NR equals line 10 of the MI-1040.

9. Hi, I'm a J-1 non-resident alien, and I have two dependents (wife and son). Do they need to file these forms as well?

A: If your dependents do not have Michigan taxable income, they do not need to file a Michigan return. If your dependents do have Michigan taxable income, they may need to file a Michigan return.

10. How should loans be reported?

A: This is a federal issue and we cannot advise on federal questions.

11. I have W2 forms provided by my employer and university. From where can I get 1040 NR and Schedule NR forms?

A: Federal forms are located at www.irs.gov. Michigan forms are located at www.michigan.gov/taxes/iit-forms.

12. (Federal) tax residents receive a 1098-T that includes fellowship money, not a 1042-S. Is the fellowship amount on 1098-T subject to state tax? (it is taxable under federal tax and part of the AGI)

A: This is a federal question that we are unable to answer. We suggest contacting the IRS regarding this matter. For informational purposes only – a 1098T is how a college may report how much qualified tuition and expenses a student paid during the tax year.

13. If I am staying in Michigan and working remotely for a company in another state, am I supposed to file MI taxes?

A: Income earned while you are physically located in Michigan is taxable to Michigan. If you have taxable income in Michigan, you are required to file a Michigan return.

14. What is the form 1098-T that we received?

A: The form 1098-T is a federal form and we cannot advise on this issue. For informational purposes only – a 1098T is how a college may report how much qualified tuition and expenses a student paid during the tax year.

15. Should my employer (receiving a stipend for research work by UM) provide me some of the forms or I have to fill out everything myself?

A: Contact your employer regarding what forms should be provided to you for income earned or funds received.

16. If I'm married, but my wife is not supposed to file a Michigan tax return, which box should I check under MI-1040 line 7?

A: If you filed your federal return as married filing separately you may file your Michigan return as married filing separately or married filing jointly. If you filed your federal return as married filing jointly you must file your Michigan return as married filing jointly. If your spouse is a nonresident alien who is not being claimed as an exemption and does not have an identifying number (SSN or ITIN), enter 'NRA' in the space for spouse's identifying number. Do not leave the space blank. If you have applied for an SSN or ITIN enter 'Applied for'. Please include a copy of your federal return with your Michigan return. Also include any documentation to support the fact that your spouse has applied for an ITIN if that is the case.

17. I filed the 2020 taxes using an ITIN. Recently I received my SSN, that is after I received my 1095B. Should I proceed with filing using my ITIN or SSN? Thank you.

A: You should follow the same guidelines as you are required to federally. Generally you should use your SSN when filing your tax returns.

18. Hello, just to confirm if income code at box 1 of 1042-S is 16, it is considered scholarship income and can be subtracted from AGI reported on federal tax return for Michigan state tax purpose? And if we only have scholarship income, then Michigan state tax would be zero?

A: Scholarships are tax exempt income for non-residents. If the only income received are scholarships, there would not be any Michigan taxable income. Therefore, you would not be required to file a Michigan return.

19. The exemption allowance is before or after taxes?

A: The exemption allowance is used to reduce the total Michigan taxable income and is claimed on line 15 of the MI-1040. Once Michigan taxable income is calculated, it is multiplied by 4.25% (for 2021) to determine the tax.

20. I received a fellowship (emergency) fund that was listed as "non-tax expense allow" on my payroll. Do I include and where should I list that on my tax form(s)?
A: This is a federal issue and we cannot advise on federal questions.
21. Is it right that fellowship money (received for room and board) can be added on Schedule NR/1 to reduce state tax burden?
A. If your Fellowship for room and board is included in your Adjusted Gross Income (AGI), you would enter the amount included in AGI in the other states column on the Michigan Schedule NR. Michigan does not tax Fellowships for nonresidents.
22. Is it right that money received from the University of Michigan for participation in a neuroscience study can be added on Schedule NR/1? Or since it was from the University is already taken into account in the W2 or 1042-s form ?
A: Any income earned while working in Michigan is subject to Michigan income tax (unless exempt by treaty). If the wages earned from the University of Michigan were earned while physically working in a state other than Michigan, the wages would not be subject to Michigan income tax, instead the wages would be attributable to another state. You would need to contact the university to determine if the funds were already included in your W-2 or 1042-S.
23. The presentation states that we can e-file both federal and MI tax returns. How do I do that? The tax prep softwares says I need to paper file my returns.
A: We cannot advise on software issues. You can find additional information on how to e-file your return at www.michigan.gov/taxes.