IMPORTANT INFORMATION FOR ALL INCOME TAX FILERS

TAX CUTS AND JOBS ACT CHANGES

The Tax Cuts and Jobs Act enacted at the federal level has resulted in changes to the calculation of Lapeer income tax as follows:

--The moving expense deduction has been suspended, except for certain Armed Forces members. See the federal instructions to see if you qualify for the deduction.

--The alimony payments will not be deductible for the spouse who makes alimony payments and they will not be included in the income of the receiving spouse under divorce or separation instruments executed after December 31, 2018.

These forms and instructions were prepared prior to the issuance of final 2025 federal forms and schedules. They include references to federal forms and schedules that were still in draft form at the time of publication. Please contact the Lapeer Income Tax Department at (810)667-7155 if you have any questions regarding what federal forms need to be attached.

WHO MUST FILE A RETURN

-Every person, partnership, fiduciary, association, corporation or other entity that is domiciled, employed or doing business in the City of Lapeer at any time during 2025 must file a return by April 30, 2026.

-Every nonresident individual whose gross taxable income earned in Lapeer was $600.00 or more. If you do not meet the requirements for filing but Lapeer tax was withheld or estimated tax was paid, you must file to receive a refund.

Every resident L-1040 Lapeer Income tax return must have Federal Form 1040 pages 1 and 2 and required schedules attached.

MARRIED PERSONS-JOINT/SEPARATE RETURNS

Married persons may file either a joint return or separate returns. A joint return may be filed when only one spouse has Lapeer income.

DECEASED TAXPAYERS

A return for a taxpayer that died during the taxable year should be filed on the same basis as he would have filed if he had lived. If a refund is due on the return and the check is to be made payable to persons other than the surviving spouse, a letter of explanation should be attached.

ESTIMATED TAX PAYMENTS FOR YEAR 2026

Estimated tax payments are REQUIRED if your 2025 Lapeer income is more than $10,000 after exemptions ($100 in tax) and your employer does not withhold Lapeer City Income Tax. A Declaration of Estimated Income Tax (Form L-1040ES) MUST be filed by April 30, 2026 and one-fourth (1/4) of the estimated tax due for 2026 must be paid with the declaration. Failure to make required estimated tax payments or underpayment of estimated tax will result in assessment of penalty and interest for the late payment of the tax. Additional estimate payment instructions and vouchers are available elsewhere in this booklet.

EXTENSION OF TIME TO FILE

The due date of this return may be extended for a period up to six months. **Application for a Lapeer extension must be made and any tentative tax due must be paid by April 30, 2026.** Applications for extensions are available online at http://www.ci.lapeer.mi.us/forms/income_tax.php

Applying for a Federal extension does not satisfy the requirement to file a Lapeer extension. Filing an extension with payment is not substitute for making estimated tax payments.

AMENDED RETURNS

Amended returns should be filed on the applicable L-1040 form and clearly marked **AMENDED** on the top margin. All supporting schedules should accompany filing with an explanation for each change. Tax paid or refunds received from the original return should be noted to the left of the box on line 23. Tax paid should be added and refunds received should be subtracted from other payments with the total entered on line 23.

If a change on your federal return affects your Lapeer taxable income, you must file an amended Lapeer return within 90 days of the change and Include payment of any tax due.

TAXABLE INCOME OF A RESIDENT

Lapeer residents are required to report the same kinds of taxable income on their city return they report on their federal return excluding S-corporation flow through income.

TAXABLE INCOME OF A NONRESIDENT

The following income is subject to Lapeer tax for a nonresident:

A. Salaries, wages, bonuses, commissions, fees, tips, incentive payments, severance pay, vacation pay and sick pay received for work done or services performed in Lapeer.

B. Net profits from the operation of a business or profession attributable to business activity conducted in Lapeer, whether or not such business is located in Lapeer.

C. Net profits from the rental of real or tangible personal property located in Lapeer.

D. Gain from the sale or exchange of real or tangible personal property located in Lapeer.

E. Premature distribution from an IRA or ROTH IRA (where a deduction was claimed on a current or previous year's Lapeer income tax return) or a pension plan.

TAX EXEMPT INCOME

Tax exempt income includes:

A. Gifts, inheritances and bequests.

B. Social security, pensions and annuities (including disability pensions) and Individual Retirement Account distributions received after reaching age 59 ½.

C. Proceeds of insurance where the taxpayer paid policy premiums. (Payments from a health and accident policy paid for by employer are taxable to the same extent as provided by the Internal Revenue Code).

D. Unemployment compensation, supplemental unemployment benefits and welfare relief payments.

E. Worker's compensation or similar payments for death, injury or illness arising in the course of an employee's job.

F. Interest from obligations of the United States, the states or subordinate units of government of the states and gains or losses on the sales of obligations of the United States.

G. Military pay of members of the armed forces of the United States, including Reserve and National Guard pay.

ASSISTANCE

If you need forms or assistance, e-mail incometax@ci.lapeer.mi.us or call (810) 667-7155. We would be happy to prepare your Lapeer Income Tax Return free of charge.

Income tax forms, instructions and additional data are available on the City's website at **www.ci.lapeer.mi.us**.

NOTICE

These instructions are interpretations of the Lapeer Income Tax Ordinance. The Ordinance will prevail in any disagreement between forms or instructions and the Ordinance.