

# 2016 MICHIGAN Certification of Exemption for Flow-Through Withholding Payments

Issued under authority of Public Act 217 of 2012 and PA 15 of 2013.

## Instructions

For purposes of this form, "member" means a Flow-Through Entity's C Corporation or other Flow-Through Entity member. The term excludes non-resident individuals.

A member of a Flow-Through Entity (FTE) may elect not to be withheld upon under Michigan Compiled Laws (MCL) 206.703(16). The election is accomplished by the member filing this exemption certificate, or any comparable document containing this information, with the FTE. As long as an exemption certificate is received by the FTE then it is entirely exempt from the flow-through withholding (FTW) requirements pertaining to that member for the entire tax year in which the FTE receives the certificate. The FTE is exempt no matter when the FTE receives the exemption certificate, so long as the FTE receives the exemption certificate within its tax year.

**Neither the member nor the FTE should file this certificate with the Michigan Department of Treasury (Treasury).**

Both entities must maintain a copy of this certificate in their records in accordance with MCL 206.703(16)(d) and Rule 205.4103.

Treasury maintains the right to revoke an exemption certificate if it finds that the member or FTE is not abiding by the terms of the certificate or the exemption requirements as explained above. If an exemption certificate is revoked, Treasury will notify the FTE that it must begin to withhold on the member's distributive share of taxable income as required under FTW within 60 days of that notice.

## PART 1: MEMBER INFORMATION

Taxpayer Name		Federal Employer Identification Number (FEIN)		
Street Address	City	State	ZIP Code	
Authorized Contact Person for Tax Matters	Contact Phone Number	Tax Year End Date of Filer (MM-DD-YYYY)		

## PART 2: FLOW-THROUGH ENTITY INFORMATION

Taxpayer Name		FEIN		
Street Address	City	State	ZIP Code	
Authorized Contact Person for Tax Matters	Contact Phone Number	Tax Year End Date of FTE (MM-DD-YYYY)		

## PART 3: CERTIFICATION

By signing below, the member certifies:	
<ul style="list-style-type: none"><li>• It will file the returns required under Part II (Corporate Income Tax) or Part III (FTW) of the Income Tax Act per MCL 206.703(16)(a)(i).</li><li>• It will pay or withhold the tax due under Part II (CIT) or Part III (FTW) of the Income Tax Act on the distributive share of the business income received from any FTE in which it is a member per MCL 206.703(16)(a)(ii).</li><li>• It will submit to the taxing jurisdiction of Michigan for purposes of collecting the tax due under Part II (CIT) or Part III (FTW) of the Income Tax Act and any associated penalty and interest per MCL 206.703(16)(a)(iii).</li></ul>	
Signature of Authorized Contact for the Member	Date