2015 MICHIGAN Adjustment of Capital Gains and Losses

Issued under authority of Public Act 281 of 1967.

Attach this form to the fiduciary income tax return MI-1041. Type or print in blue or black ink.

For 2	015 or taxable year beginning	,	, 2015 and ending	9						
Name of Estate or Trust						Federal Em	ployer I	dentification N	umber (FEIN)	
PART 1: SHORT-TERM CAPITAL GAINS AND LOSSES (ASSETS HELD ONE YEAR OR LESS)					D Federal Gain (Loss)		;)	E Michigan Gain (Loss)		
1.	Short-term totals, if any, from M Schedule D, line 1a									
					Fe	ederal Gain (Loss		l Ga	nin (Loss)	
					f	rom Column h of S. 1041 Schedule	•	from Colu	umn D subject to an income tax	
2.	Short-term capital gain or (loss) 8824									
3.	Enter net short-term gain/loss fr									
	other estates or trusts			3.						
4.	Short-term capital loss carryove	4.	()	()			
5.	Net short-term gain/loss. Comb on line 14, column A									
PART 2: LONG-TERM CAPITAL GAINS AND LOSSES (ASSETS HELD MORE THAN ONE YEAR)						_			E an Gain (Loss)	
6.	Long-term totals, if any, from Mi Schedule D line 8a	l-8949, line 4 an	d U.S. Form 104							
					Fede	eral Gain (Loss) fi	rom	1		
						lumn h of U.S. 104 Schedule D		Gain (Loss subject to M	s) from Column D ichigan income tax	
7.	Long-term capital gain or (loss) and 8824					ochedule D				
8.	Enter net long-term gain/loss fro other estates or trusts		•							
9.	Capital gain distributions			9.						
10.	Enter gain, if applicable, from U	.S. Form <i>4797</i>		10.						
11.	Net gain/loss. Combine lines 6	:hrough 10		11.						
12.	Long-term capital loss carryove	r		12.	()	()	
13.	Net long-term gain/loss. Combine Enter here and on line 15, colur			13.						
PAR	T 3: SUMMARY OF PARTS 1	AND 2								
		A. Gain/Loss			B. Fiduciary		C. Beneficiary			
				Feder		Michigan			Michigan	
14.	Net short-term gain/loss from line 5	1 Gagrar	Wildingan	1 0001	<u> </u>	Mongan	<u> </u>	ederal	Monigan	
15.	Net long-term gain/loss from line 13									
16.	Total net gain/loss. Combine lines 14 and 15									

If line 16, column A is a net gain, for resident estates and trusts complete Part 5. If line 16, column A is a net loss, (1) for resident estates and trusts complete Part 5; or (2) for nonresident estates and trusts carry line 16, column B, Michigan column to Form MI-1041, Schedule 4, line 67 and then complete Part 4.

PART 4: COMPUTATION OF CAPITAL LOSS LIMITATION

			Federal	Michigan
17.	If line 16 column A, shows a net loss, enter the smaller of: (a) the fiduciary's share of net loss on line 16, column B; or			
	(b) \$3,000			
	Note: When figuring whether 17a or 17b is smaller, treat both numbers as if they was a smaller of the smaller o	vere	positive.	
	For resident estates and trusts complete Part 5. For nonresident estates and trusts MI-1041, Schedule 4, line 70.	s ca	rry line 17, Michigan c	column, to Form
	If the net loss on line 16, column A, is more than \$3,000, or if the taxable income cless, complete Part 6 to determine the loss carryover.	on U	.S. Form <i>1041</i> , page 7	1, line 22, is zero or
PΔR	T 5: COMPUTATION OF CAPITAL ADJUSTMENT - FOR RESIDENT ES	ΤΔΤ	ES OR TRUSTS	
Gain			LO OK TROOTO	
18.	Enter the fiduciary's share of net gain from line 16, column B, federal column, as a negative number. If no gain shows or there is a loss, enter zero "0"	18.	()
19.	Enter the fiduciary's share of net gain from line 16, column B, Michigan column, as a positive number. If no gain shows or there is a loss, enter zero "0"	e smaller of: 16, column B; or 17. aller, treat both numbers as if they were positive. 5. For nonresident estates and trusts carry line 17, Michigan column, to Form an \$3,000, or if the taxable income on U.S. Form 1041, page 1, line 22, is zero or revover. STMENT - FOR RESIDENT ESTATES OR TRUSTS 2 16, column B, fiederal column, as is a loss, enter zero "0"		
Loss	es			
20.	Enter loss from line 17, federal column, as a positive number. If no loss shows, enter zero "0"	20.		
21.	Enter loss from line 17, Michigan column, as a negative number. If no loss shows, enter "0"	21.		
Adju	stment			
22.	Combine lines 18 through 21. Enter the total here and on MI-1041 page 1, line 11	22.		
PAR	T 6: COMPUTATION OF CAPITAL LOSS CARRYOVERS FROM 2015 TO	20	16	
	ion A . Carryover Limit			Michigan
	Enter taxable income/loss from 2015 U.S. Form 1041, line 22, or U.S. Form 990-T, line 34	23.		
24.	Enter the loss from line 17 as a positive amount	24.		
25.	Enter the amount from U.S. Form 1041, line 20, or U.S. Form 990-T, line 33	25.		
26.	Adjusted taxable income. Combine lines 23, 24 and 25. If less than zero, enter "0"	26.		
27.		27.		
Sect	ion B. Short-Term Capital Loss Carryover			
	plete this section only if there is a loss shown on line 5 and line 16, column A.			
		28.		
29.	· · · · · · · · · · · · · · · · · · ·	20		
30.		-		
	This is the fiduciary's short-term capital loss carryover from 2015 to 2016.			
Sect	ion C. Long-Term Capital Loss Carryover			
Com	plete this section only if there is a loss shown on line 13 and line 16, column A.			
33.	Enter the loss shown on Part 2, line 13 as a positive amount	33.		
34.	Enter the gain, if any, from line 5. If that line is blank or shows a loss, enter "0"	34.		
35.		35.		
36.	Enter the amount, if any, shown on line 28	36.		-
37.	·	37.		
38.				
39.	Subtract line 38 from line 33. If less than zero, enter "0"	39.		

Instructions for Form MI-1041D Adjustments of Capital Gains and Losses

When To File

Use this form to adjust Michigan taxable income if the estate or trust has capital gains or losses that are attributable to:

- 1. Gains or losses from certain types of property located outside of Michigan or from business property subject to allocation and/or apportionment.
- 2. Periods before October 1, 1967 (Section 271 adjustment). If U.S. Forms *1041 Schedule D* or *4797* were filed, and an election to adjust under Section 271 of the Michigan Income Tax Act was made, file the equivalent Michigan forms (MI-1041D or MI-4797). All items of gain or loss realized during the tax year must be included.
- 3. Gains or losses from the sale or exchange of U.S. obligations that cannot be taxed by Michigan.

Form MI-1041D must be attached to the *Michigan Fiduciary Income Tax Return* (MI-1041).

General Information

Page 1 of Form MI-1041D follows the pattern of page 1 of the U.S. Form 1041 Schedule D and all the information necessary for completing it should be taken from the U.S. Form 1041 Schedule D.

Rounding Off

Round down amounts of 49 cents or less. Round up amounts of 50 cents or more. If cents are entered on the form, they will be treated as whole dollar amounts.

Identification

Enter the name of the estate or trust and the Federal Employer Identification Number (FEIN) at the top of the MI-1041D.

Parts 1 and 2: U.S. Information

If U.S. Form 8949 Sales and Other Dispositions of Capital Assets was filed, complete Form MI-8949 in the same manner. Transfer the information to MI-1041D, following the instructions on Form MI-1041D. If the U.S. Form 8949 discloses capital assets reported under Sections 1245 and 1250, these assets must be reported on MI-8949. Also, if capital assets are allocated to another state, they are excluded from the portion subject to Michigan income tax. A capital loss carryover from preceding years is entered as a short-term loss on line 4 or as a long-term loss on line 12.

Federal Information

Line 1. Combine the amount from MI-8949, line 2, and the amount from U.S. Form *1041 Schedule D* line 1a.

For lines 2, 3, 4, 5, 7, 8, 9, 10, 12 and 13 column D, enter the amounts from U.S. Form 1041 Schedule D, for the corresponding line numbers listed on the top of the next column.

Corresponding lines on MI-1041D and U.S. 1041 Schedule D										
MI-1041D	2	3	4	5	7	8	9	10	12	13
U.S. 1041 Schedule D	4	5	6	7	11	12	13	14	15	16

Line 6. Combine the amount from MI-8949, line 4, and the amount from U.S. Form *1041 Schedule D*, line 8a.

Michigan Gain or Loss

Enter the portion of federal gain and loss subject to Michigan income tax on lines 2, 3, 4, 5, 7, 8, 9, 10, 11, 12 and 13 column E.

Michigan Gain or Loss

Section 271. To apportion under Section 271, multiply the gain (loss) in column E by the number of months the property was held after September 30, 1967. Divide the result by the total number of months held. Enter the result in Michigan column E. For the purpose of this computation, the first month is excluded if acquisition took place after the 15th, and the last month is excluded if disposal took place on or before the 15th.

Gains from installment sales made before October 1, 1967, must show the federal gain in federal column D and zero in Michigan column E. Gains or losses from installment sales made after October 1, 1967, are subject to Michigan tax but may be apportioned under Section 271.

Distributions from employee's pension, stock bonus or profitsharing trust plans that are considered to be long-term capital gains (under Section 402 of the Internal Revenue Code) and capital gains distributions are not eligible for Section 271 treatment. Enter the total gain in both the federal and state columns.

U.S. Obligations. Gains from the sale or exchange of some U.S. obligations are not subject to tax and losses are not deductible. Enter a zero in the Michigan column for gains or losses realized from the sale of these non-taxable U.S. obligations.

Note: Any interest expense and other expenses incurred in the production of income from U.S. obligations should be entered on MI-1041, line 31. (See MI-1041 instruction booklet for line 31 on page 4.)

Capital gains or losses from the sale or exchange of municipal bonds are taxable for Michigan residents.

Out-of-State Property. Gains from the sale of property located in another state are not subject to Michigan tax, and losses are not deductible. Enter in the Michigan column the gain or loss from the sale or exchange of (1) real property located in Michigan, or (2) tangible personal property located in Michigan at the time of the sale or if the taxpayer was a Michigan resident estate or trust, or (3) intangible personal property sold by a Michigan resident estate or trust.

Part 3: Lines 14, 15, and 16

Column A. Enter the corresponding net short-term or long-term gain (loss) from column D (federal) and column E (Michigan) in the appropriate boxes. Combine lines 14 and 15 and enter the result on line 16.

Column B. Enter the share of short-term and long-term gains and losses retained by the fiduciary. Follow the instructions on the form for resident and nonresident estates and trusts.

Column C. Enter the share of short-term and long-term gains (losses) distributed to the beneficiaries. Totals on line 16 should equal the totals on Form MI-1041, Schedule 5, line 73.

Part 6

If the net loss on line 16, column A, is more than \$3,000, or if the taxable income on U.S. Form *1041*, page 1, line 22 or U.S. Form *990-T*, Unrelated Business Taxable Income is zero or less, complete this section to determine the capital loss carryover.