

2017 MI-1041ES, Michigan Estimated Income Tax for Fiduciaries

Issued under authority of Public Act 281 of 1967, as amended. See instructions for filing guidelines.

Who Must File Estimated Tax Payments

Fiduciaries of an estate or trust (resident or nonresident), generally must pay estimated tax if the estate or trust is expected to owe more than \$500 after subtracting withholding and credits.

If the estate or trust owes more than \$500, estimated payments may not have to be made if the estate or trust expects the 2017 withholding to be at least:

- 90 percent of the total tax for 2017, OR
- 100 percent of the total tax shown on the 2016 return, OR
- 110 percent of the total 2016 tax if the estate’s or trust’s taxable income for 2016 is more than \$150,000. To figure the estate or trust’s federal taxable income, see the instructions for line 22 of the U.S. Form 1041.

Financial institutions that act as a fiduciary for 200 or more trusts shall submit Michigan estimated payments on magnetic tape. Institutions acting as fiduciary for more than 49 and fewer than 200 trusts may make an irrevocable agreement to file magnetically. For more information, refer to the *Transmittal for Magnetic Media Reporting* (Form 447) at www.michigan.gov/taxes.

Exceptions:

- Generally, no estimated tax is due if the estate or trust is due a refund or has a balance due of \$500 or less.
- There is no estimated tax due on an estate or a trust that had no tax liability for the full 12 months preceding the tax year.
- Estates do not have to pay estimated tax for the first two years.

Payment Due Dates

Fiduciaries may pay in full with the first voucher, due April 18, 2017. Fiduciaries may also pay in equal installments due on or before April 18, 2017, June 15, 2017, September 15, 2017, and January 16, 2018.

Generally, all fiduciaries of trusts must report on a calendar year. Report the same year that is being reported for federal estimated payments.

Fiscal-year returns must be adjusted so all dates correspond with the fiscal year. The first estimate payment is due on the 15th day of the fourth month after the fiscal year ends.

Reminder notices will not be sent. Save this set of forms for all 2017 payments.

Where to Mail Payments

Make the check payable to “State of Michigan.” Write the FEIN of the estate or trust and “2017 MI-1041ES” on the front of the check. To ensure accurate processing of the return, send one check for each return type. Mail check with the MI-1041ES form for that installment. Do not staple the check to the form.

Send check and voucher to:

Michigan Department of Treasury
P.O. Box 30774
Lansing, MI 48909

Late Payments or Underpayments

If a fiduciary fails to make required estimated payments, pays late or underpays in any quarter, Treasury may charge penalty and interest. Penalty is 25 percent of the tax due (minimum \$25) for failing to file estimated payments or 10 percent (minimum \$10) for failing to pay enough with estimates or paying late. If payment is late, penalty and interest must be added to the amount due. The interest rate is 1 percent above the prime rate and is computed daily. The rate is adjusted on July 1 and January 1.

New Information for Composite Filers

Flow-through entities (FTEs) whose tax year begins July 1, 2016 or later are no longer subject to FTW requirements. FTEs who file a *Michigan Composite Individual Income Tax Return* (Form 807) may have to file estimated tax vouchers and pay estimated tax on behalf of each participant. Estimated vouchers and payments are required if the annual income tax liability for each participant is expected to exceed \$500 after exemptions and credits.

Estimated payments should only be remitted for those members who will participate in the composite filing. The estimated payments must be remitted with a *Fiduciary Voucher for Estimated Income Tax* (Form MI-1041ES) with the name of the FTE and the FTE’s federal employer ID number (FEIN). Write “Composite Return” at the top of the voucher.

FTEs using a calendar tax year must file vouchers and pay estimated tax by April 15, July 15, October 15, and January 15. FTEs that are not using a calendar year must file vouchers and pay estimated tax on the appropriate due dates that, in the FTE’s fiscal year, correspond to the calendar year. Fiscal year filer due dates apply regardless of the tax years of the participants.

DETACH HERE AND MAIL THE RETURN WITH YOUR PAYMENT. DO NOT FOLD OR STAPLE THE RETURN.

2017 MICHIGAN MI-1041ES Fiduciary Voucher for Estimated Income Tax

		Due Date for Calendar Year Filers	
Name of Estate or Trust and Fiduciary Name, Title and Address	Estate or Trust Federal Employer Identification No. (FEIN)		
	WRITE PAYMENT AMOUNT HERE	\$.00
	MAIL TO: Michigan Department of Treasury P.O. Box 30774 Lansing, MI 48909	Make check payable to “State of Michigan.” Enclose your check (do not fold or staple). Write the estate’s or trust’s FEIN and “2017 MI-1041ES” on your check.	

DO NOT WRITE IN THIS SPACE

When Income Changes During the Year

If estimated payments for the estate or trust have already been made, amend the estimate on the next installment voucher. Apply the increase or decrease equally over the remaining installments. To avoid amending the fourth installment voucher, file the 2017 income tax return before February 1, 2018. With this option, it is not necessary to file the fourth installment voucher (due January 16, 2018). If no estimated payments have been made, use the chart below to see which period the tax is due.

If the change occurs:	Pay on or before:
Jan. 1 through March 31	April 18, 2017
April 1 through May 31	June 15, 2017
June 1 through Aug. 31	Sept. 15, 2017
Sept. 1 through Dec. 31	Jan. 16, 2018

Estimate the estate’s or trust’s 2017 income. Use the 2016 Michigan and U.S. fiduciary income tax returns for the estate or trust for reference (even if not yet completed). Michigan uses federal taxable income of the fiduciary to figure tax. See form MI-1041 for allowable additions and subtractions. Enter the estimated taxable income on line 1. After completing lines 1 and 2, finish the worksheet by following the instructions on each line. Refer to the corresponding sections in the tax instruction booklets for additional guidance.

After completing the worksheet, if additional assistance is needed to determine the required estimates, if any, call 517-636-4486. Assistance is available using TTY through the Michigan Relay Service by calling 1-800-649-3777 or 711.
Visit Treasury’s Web site at www.michigan.gov/taxes

Estimated Tax Computation Worksheet
Keep for Your Records

1. Enter estimated 2017 income subject to tax (from U.S. Form 1041).....

2. Tax. Multiply line 1 by 4.25% (0.0425)

3. Enter all estimated credits.....

4. Estimated tax due. Subtract line 3 from line 2

5. Estimated payment due. Divide the amount on line 4 by 4, or by the number of
estimated vouchers to be filed (see instructions). Enter here and on each voucher
1. _____

2. _____

3. _____

4. _____

5. _____

NOTE: Apply the 2016 overpayment credit to the first voucher. Any unused credit must then be applied to the second voucher and following vouchers, until the entire credit is used.

Payment Record

	1st Installment	2nd Installment	3rd Installment	4th Installment
Tax Paid				
Date				
Check No.				