

**RESIDENT CREDIT FOR TAX IMPOSED
BY A CANADIAN PROVINCE**

Issued under P.A. 281 of 1967. Filing is voluntary.

For Tax Year	2000
Name(s) as shown on your MI-1040	Social Security Number / /
Address, City, State and ZIP	Spouse's Social Security Number / /

PART 1 | CONVERSION OF CANADIAN WAGES AND TAXES TO UNITED STATES CURRENCY

1. Canadian income taxed by Michigan 1. _____
2. Fringe benefits included in Box 14 of the T-4, not taxable in U.S.A. 2. _____
3. Subtract line 2 from line 1 3. _____
4. Multiply line 3 by the annualized conversion rate of 67.40% (.6740) (see inst.) 4. _____
5. Total Canadian income from line 150 of your Canadian income tax return 5. _____
6. Multiply line 5 by the conversion rate of 67.40% (.6740) 6. _____
7. Divide line 4 by line 6 (percentage of Canadian income taxed by Michigan to total Canadian income) 7. _____ %
8. Multiply the Canadian federal tax (line 420 of Canadian return) \$ _____ by the conversion rate of 67.40% (.6740) 8. _____
9. Multiply line 8 by line 7 9. _____
10. Multiply the provincial tax (line 428 of Canadian return) \$ _____ by the conversion rate of 67.40% (.6740) 10. _____
11. Multiply line 10 by line 7 11. _____
12. Contribution to Canadian Pension Plan from T-4, Boxes 16 and 17 12. _____
13. Multiply line 12 by the conversion rate of 67.40% (.6740) 13. _____

PART 2 | COMPUTATION OF MICHIGAN TAX

14. Adjusted gross income from MI-1040, line 10 14. _____
15. Canadian income taxed by Michigan from line 4, above 15. _____
16. U.S. adjustments to Canadian wages (from U.S. 1040 lines 23 -31a)..... 16. _____
17. Subtract line 16 from line 15 17. _____
18. Subtract line 17 from line 14 for Michigan source income 18. _____
19. Additions from MI-1040, line 11 19. _____
20. Add lines 17, 18 and 19 20. _____
21. Subtractions from MI-1040, line 13 21. _____
22. Subtract line 21 from line 20 for income subject to tax 22. _____
23. Divide line 17 by line 22 for percentage of Canadian income to total income subject to tax 23. _____ %
24. Exemption allowance from MI-1040, line 15 24. _____
25. Subtract line 24 from line 22 for taxable income 25. _____
26. Multiply line 25 by the Michigan tax rate of 4.2% (.042) 26. _____

PART 3 | ALLOWABLE CREDIT FOR TAX PAID CANADIAN PROVINCE

27. Multiply line 26 by line 23 for Michigan tax on Canadian province income 27. _____
28. Add lines 9, 11 and 13 for total tax paid in Canada 28. _____
29. Adjustments to credit claimed on U.S. 1040:
 - 29a. Canadian portion of credit claimed on U.S. 1040, line 43 29a. _____
 - 29b. Canadian income taxed by Michigan from all U.S. 1116 forms 29b. _____
 - 29c. Gross Canadian income from all U.S. 1116 forms 29c. _____
 - 29d. Divide line 29b by line 29c and enter percentage 29d. _____ %
 - 29e. Multiply line 29a by line 29d for adjusted amount claimed on U.S. 1040 29e. _____
30. Subtract line 29e from line 28 for amount available for credit on MI-1040 30. _____
31. Canadian provincial tax from line 11. Enter here and on form MI-1040, line 23a 31. _____
32. Credit for tax paid Canadian province (lesser of lines 27, 30 or 31). Enter here and on form MI-1040, line 23b 32. _____

ATTACH THIS FORM TO YOUR MI-1040 RETURN