

Determination of Taxable Income
For Financial Information and Payment Agreement

The following items are to be included in or excluded from income for the purpose of determining ability to pay when completing the Financial Information and Payment Agreement:

Income to be excluded from income:

- Entitlement benefits such as Social Security, Supplemental Income, Veteran's Administration, etc.
- Child support received (if child is not recipient of services)
- Disability pay
- Military pay
- Income attributable to another state

Items included in income (adjusted gross income from Michigan tax return, line 16):

- Salaries and wages, including bonuses, longevity, overtime, vacation and sick pay, tips, etc
- Alimony received
- Child support received (only when child is recipient of services, not if parent is only recipient of services)
- Net rental income
- Net profit from business if self employed
- Trust income
- Unemployment compensation
 - If compensation is equal to 50% or more of gross income, then individual is entitled to an additional special exemption allowance of \$2,300.
- Interest and dividends not excluded for purpose of preparing MI 1040
- Pension and retirement earnings not excluded for purpose of preparing MI 1040