

Little Traverse Bay Bands of Odawa Indians
Department of Commerce

7500 Odawa Circle
Harbor Springs, MI 49740

Phone: (231) 242-1584
Email: DOC@ltbbodawa-nsn.gov

Information on the Form 4013: Resident Tribal Member Annual Sales Tax Credit

Under the LTBB Tax Agreement, Resident Tribal Citizens (meaning those who live within the LTBB Tax Agreement Area and the address on file with the Enrollment department reflects this) are eligible for sales tax exemptions on certain items. While some items are eligible for exemption at the time of purchase (see information for Tribal Certificate of Exemption), the State of Michigan recognizes the sales tax exemption on general purchases (purchases not covered under the Tribal Certificate of Exemption) by using the Form 4013: Resident Tribal Member Annual Sales Tax Credit.

This is a form filed on a yearly basis by the Resident Tribal Citizen (RTC) when filing the RTC's Michigan income taxes. The annual credit amount is calculated using 0.9% of the RTC's modified adjusted gross income (modified adjusted gross income is capped at a maximum of \$80k/year) based on the number of months the RTC resided within the LTBB Tax Agreement during that tax year.

Starting in 2021, the Form 4013 will no longer be automatically distributed to RTCs. Most programs that are used for e-filing taxes, or programs used by professional tax preparers, will automatically generate the Form 4013 upon indicating that the individual is a Resident Tribal Citizen.

For those who do not e-file or do not use a tax preparer, or those who prefer to have a paper copy of the Form 4013 – this is still available **upon request**. You can contact the LTBB DOC office and request the Form 4013 if you would like a copy mailed or emailed to you. You would then submit the paper copy of the Form 4013 by mail to the address provided on the form itself.

In order to be eligible for the Form 4013, you must have lived within the LTBB Tax Agreement Area during that tax year and your address on file with the Enrollment department must reflect this. Please be advised that the State of Michigan does a verification on Resident Tribal Citizen status, so this form should only be used if you are a Resident Tribal Citizen and your address with the Enrollment Department reflects this. Please keep in mind that you may also only claim exemption for the number of months in which you resided in the Tax Agreement Area, and that your RTC status does not take effect until the 1st day of the following month in which you moved in and updated your address with the Enrollment department. For example, if you moved into the Tax Agreement Area on October 15th and updated your address with Enrollment on that date – you would be considered a Resident Tribal Citizen as of November 1st, and would claim two (2) months of exemption on the Form 4013 (the months of November and December). It is important that your address is updated with the Enrollment Department because the State of Michigan will reject the Form 4013 filing if they are unable to verify the correct address.

It is to the Resident Tribal Citizen's advantage to submit this form in order to receive the annual credit. If you have any questions on this form, including eligibility or how to submit – please contact the LTBB DOC office at 231.242.1584 or by email at DOC@ltbbodawa-nsn.gov. The LTBB DOC office can also confirm if you are a Resident Tribal Citizen, or how many months you would be considered as such.