

MI-1040CR-7

Home Heating Credit Claim



WWW.MIFASTFILE.ORG

- ⚡ E-file your *Michigan Home Heating Credit Claim* (MI-1040CR-7) and eliminate many of the errors that lengthen processing times. E-filed returns are usually processed within 14 business days. Allow 14 days before checking the status of your e-filed return.
- ⚡ Visit **www.Mifastfile.org** for a list of e-file resources, how to find an e-file provider, and more information on free e-file services.

FILING DEADLINE. The deadline for filing your 2025 home heating credit is **September 30, 2026**. The filing of an extension for income taxes does not extend the due date for the home heating credit.

IMPORTANT INFORMATION. Michigan's home heating credit is funded by the federal Low-Income Home Energy Assistance Program block grant. If you need assistance paying for your home heating costs, file the home heating credit claim **with or without** a *Michigan Individual Income Tax Return* (MI-1040). The credit may be issued directly to your heat provider, or may be issued directly to you as a draft or check. Your credit may be larger or smaller than the credit you received last year because the amount of money Michigan receives from this grant varies every year. For general information visit **www.michigan.gov/heatingassistance**.

FILING DUE DATE: SEPTEMBER 30, 2026



Scan the QR Code to access the new Michigan Treasury eServices.

WWW.MICHIGAN.GOV/TAXES

Issued under Public Act 281 of 1967. This booklet is intended as a guide to help you prepare your credit claim. It does not take the place of the law.

2025
MICHIGAN

Tax Information and Assistance

Tax Assistance

The Michigan Department of Treasury (Treasury) offers a variety of services designed to assist you, and most are available 24 hours a day, seven days a week.

IMPORTANT: To obtain information about your account using the Internet and Telephone Options listed below, you will need the following information from your return:

- Social Security number (SSN)
- Tax year of the return
- Adjusted gross income (AGI) or total household resources
- Filing status (single, married filing jointly, married filing separately).

Internet Options

www.michigan.gov/iit

Find the following information on this website:

- Current year forms and instructions
- Answers to many tax preparation questions
- Most commonly used tax forms
- Free assistance in preparing your return
- Other tax resources.

Select the Michigan Treasury eServices where you can:

- File your return (no fee)
- View the status and summary of your return or correspondence
- Ask questions to a non-AI generative Chat Bot
- Change your address
- Submit a response to letters received from Treasury
- Submit questions and receive responses on your account
- Make payments
- Submit an *Authorized Representative Declaration (Power of Attorney)*, Form 151
- Request an installment agreement
- Submit an Offer in Compromise
- Request and manage third party access.

Telephone Options

517-636-4486

Automated Information Service

With Treasury's automated phone system, you can:

- Request the status of your refund
- Check the status of letters you have sent to Treasury
- Request information on estimated payments
- Order current tax year forms.

While most questions can be answered by the Automated Information Service, customer service representatives are available from 8 a.m. to 4:30 p.m., Monday through Friday.

Assistance is available using TTY through the Michigan Relay Service by calling 711.

Forms

Find tax forms using the Internet and Telephone Options listed on this page. Commonly used forms are also available at most public libraries, Northern Michigan post offices, and Michigan Department of Health and Human Services (MDHHS) county offices.

Additional Help

If you need help completing your credit form, contact your local community service agency or senior citizen center to find out if a volunteer tax assistance program is available in your area.

Completing Your Forms

Review your claim for the following common errors that may delay your refund:

- The MI-1040CR-7 is a three-page form; all pages must be completed and filed to be processed
- Illegible writing
- Transposing numbers in the SSN
- Entering figures on wrong lines
- Math errors
- Filling in lines if they do not apply to you or if the amount is zero
- Missing, incomplete, or applied for Social Security number. If your household member does not have an SSN, apply for one through the Social Security Administration. Do not report them on your MI-1040CR-7, line 16, until you have received their SSN.
- Failing to report total household resources from all sources, both taxable and nontaxable
- Failing to reduce the heating credit by 50 percent when heat is included in your rent.

Before you mail your claim, review it carefully and make sure it is complete. Keep a copy of your claim and all schedules for six years.

Mail your claim to: Michigan Department of Treasury
Lansing, MI 48956

You can file a home heating credit for the current tax year only.

Identity Theft

Tax-related identity theft occurs when someone uses your Social Security number to file a tax return claiming a fraudulent refund. Refer to the "Identity Theft" section on page 4 of the MI-1040 booklet or visit **www.michigan.gov/identitytheft** for more information.

General Information

Important Information for All Claimants

This booklet contains forms and instructions to file and calculate your home heating credit. Please read these instructions carefully. The request for your Social Security number is authorized under United States Code (USC) Section 42. Social Security numbers are used by Treasury to conduct matches against benefit income provided by the Social Security Administration and other sources to verify the accuracy of the home heating and property tax credit claims filed, for mandatory federal reporting requirements and to deter fraudulent filings.

Social Security numbers must be provided for all household members. Household members include the filer, spouse, dependents and all other individuals who normally live with you that are not dependents. All Social Security numbers must be valid and assigned to a U.S. citizen or qualified alien. When full nine-digit Social Security numbers are not provided or are invalid, the credit will be denied.

You may claim a home heating credit if you owned or rented a homestead in 2025 regardless if you currently receive Family Independence Program (FIP) assistance or other public assistance.

If you receive FIP assistance, State Disability Assistance (SDA), or you are enrolled with the MDHHS for direct payment, by law Treasury must send your credit directly to your heat provider.

If your heat is provided by DTE Energy, Consumers Energy, or SEMCO Energy Gas, your home heating credit may be sent directly to your heat provider. (See instructions for line 46 on page 10.)

If, at the time you file this claim, your heating costs are included in your rent, your credit must be reduced by 50 percent. Your credit will be issued as a check, rather than an energy draft (see MI-1040CR-7, lines 10 and 39).

If you file an income tax return (MI-1040), do **not** staple your home heating credit claim to the MI-1040. Fold it and leave it loose in the envelope. You cannot apply your home heating credit to your income tax liability.

If you file a property tax credit claim (*Michigan Homestead Property Tax Credit Claim* (MI-1040CR) or *Michigan Homestead Property Tax Credit for Veterans and Blind People* (MI-1040CR-2)) **without** an MI-1040, you should include your home heating credit claim with the property tax credit claim form.

Who May Claim a Credit

This credit helps low income families pay their home heating costs. To see if you may claim a credit, answer the following questions:

- Are you a full-time student who is claimed as a dependent on another person's income tax return?
- Did you live in a licensed care facility for the entire year? (See "Licensed Care Facilities" on page 5.)

If you answered yes to either of these questions, you **cannot** claim a home heating credit. If you answered no to **both** questions, the following must apply in order to be eligible for a credit:

- Your homestead must be in Michigan, **and**
- You must own a home or have a lease agreement to pay rent for the home where you live.
- You **cannot** live in college- or university-operated housing (including dormitories, residence halls, or apartments)
- Your household resources **must** be within the income limits listed in Tables A and B on page 23.

You can have only one homestead at a time and you must be the occupant as well as the owner or renter. Your homestead can be a rented apartment or a mobile home on a lot in a mobile home park. A vacation home or income property is not considered your homestead.

Your homestead is in your state of domicile. Domicile is the place where you have your permanent home. It is the place to which you plan to return whenever you go away. College students and others whose permanent homes are not in Michigan are **not** Michigan residents. Domicile continues until you establish a new permanent home.

If you owned or rented only part of the year, you must prorate your credit. See "Part-Year Resident or Occupied Homestead Less Than 12 Months" on page 5.

Spouses who share a home are entitled to only one home heating credit based upon the number of allowable exemptions in the household or the heating costs for the home, and joint total household resources.

If you were separated for all or part of the year and file a joint federal or Michigan income tax return with your spouse, your credit claim is based upon either the heating costs of only one home or the number of exemptions in each household. The total household resources must be the combined income of both spouses for the entire year.

Spouses who maintain separate homes for the entire year and do not file joint federal or Michigan income tax returns may each claim a credit based upon their separate heating costs or exemptions and total household resources. Include *Married Filing Separately and Divorced or Separated Claimants Schedule* (Form 5049), which can be found on Treasury's website.

If you were separated or divorced during 2025 and do not file joint income tax returns, your credit must be based on your share of the heating costs or exemptions before separation, plus your exemptions and individual heating costs after separation. Include a schedule showing your computation and Form 5049.

When to File

The final date for filing a 2025 home heating credit is September 30, 2026. (Your claim must be postmarked by September 30, 2026) The filing of an extension for income taxes does not extend the due date for the home heating credit. File early to receive priority processing.

Amending Your Credit Claim

File a new claim form and check the Amended Return box at the top of page 1 of the form. If applicable, include a copy of your heat statement(s).

NOTE: An amended MI-1040CR-7 claim requesting an additional refund will not be accepted after September 30, 2026.

Exemptions

You may claim one exemption for each of the following:

- Yourself, unless you are eligible to be claimed as a dependent on someone else's return
- Your spouse, unless you are filing a married filing separately claim
- Your children who live with you, even if their support comes from FIP assistance or someone else. If you do not have custody of your children, you cannot claim them on your MI-1040CR-7, even if you can claim them on your MI-1040
- Any other dependent who lives with you **and for whom you provided more than half of their support.**

A special exemption may be taken if you, your spouse or your dependents qualify. Special exemptions are available for individuals that are deaf, disabled or blind. An additional exemption is available for qualified disabled veterans. If your dependent files a credit claim, you or your dependent, but not both, may claim the dependent's exemption(s). See instructions for line 15.

Deceased Claimants

If the taxpayer died during 2025, the personal representative may claim the standard heating credit but may not claim the alternate heating credit. If your spouse died in 2025, use the same number of exemptions you would have used had your spouse lived all year.

The **surviving spouse** may file a joint claim for 2025. Write your name and the deceased's name and both Social Security numbers on the MI-1040CR-7. Write "DECD" after the deceased's name. You must report the deceased's income. Sign the claim on the deceased's signature line, write "Filing as surviving spouse." Enter the deceased's date of death in the "Deceased Taxpayer" box on the bottom of page 3 of the form.

If filing as a **personal representative or claimant** for a single deceased taxpayer or when both taxpayers are deceased:

- You must include a U.S. Form 1310 or *Michigan Claim for Refund Due a Deceased Taxpayer* (Form MI-1310)
- Enter the name(s) of the deceased person(s) in the Filer's and/or Spouse's name fields with "DECD" next to the name(s) and the representative's or claimant's name, title and address in the home address field
- Use the deceased's Social Security number on the form
- Enter the date(s) of death in the designated boxes on the bottom of page 3
- You must prorate for the number of days from January 1 until the date of death. See page 5 for more information on prorating the credit.

Total Household Resources

Total household resources are the total income (taxable and nontaxable) of both spouses or of a single person maintaining a household. They are AGI, excluding net business and farm losses, net rent and royalty losses, and any carryover of a net operating loss, plus all income exempt or excluded from AGI.

Total household resources must be sufficient to pay property taxes or rent plus all other living expenses unless there are resources available not reportable in total household resources. If income appears too low to cover reported living expenses, include an explanation of the extenuating circumstances.

Total household resources include the following items not listed on the form:

- Capital gains on the sale of your residence regardless if the gains are exempt from federal income tax
- Compensation for damages to character or for personal injury or sickness
- An inheritance (except an inheritance from your spouse)
- Proceeds of a life insurance policy paid on the death of the insured (except benefits from a policy on your spouse)
- Death benefits paid by or on behalf of an employer
- Minister's housing allowance
- Forgiveness of debt, even if excluded from AGI (e.g., mortgage foreclosure)
- Reimbursement from dependent care and/or medical care spending accounts
- Scholarships, stipends, grants, and payments, except government payments, made directly to third parties such as an educational institution or subsidized housing project
- Forgiven Paycheck Protection Program loans, include the amount of the forgiven loan reduced by business expenses related to payroll, rent and utilities that were not deducted in determining AGI.

Total household resources do NOT include:

- Net operating loss deductions taken on your federal return
 - Payments received by participants in the foster grandparent or senior companion program
 - Energy assistance grants
 - Government payments made directly to a third party (e.g., payments to a doctor, GI Bill benefits, payments from a PELL grant to the extent not included in AGI).
- NOTE:** If payment is made from money withheld from your benefit, the payment is part of total household resources. (For example, the MDHHS may pay your rent directly to the landlord.)
- Money received from a government unit to repair or improve your homestead
 - Surplus food or food assistance program benefits
 - State and city income tax refunds and homestead property tax credits

- Chore service payments (these payments are income to the provider of the service)
- The first \$300 from gambling, bingo, lottery, awards, or prizes
- The first \$300 in gifts of cash or merchandise received, or expenses paid on your behalf (rent, taxes, utilities, food, medical care, etc.) by parents, relatives, or friends
- Amounts deducted from Social Security or Railroad Retirement benefits for Medicare premiums
- Life, health, and accidental insurance premiums paid by your employer
- Loan proceeds
- Inheritance from a spouse
- Life insurance benefits from a spouse
- Payments from a long-term care policy made to a nursing home or other care facility
- Most payments from The Step Forward Michigan program
- Compensation for wrongful imprisonment

For more information on Total Household Resources, visit www.michigan.gov/taxtotalhouseholdresources.

Special Provisions for Farmers

If you received a farmland preservation tax credit in 2025, you must include it in total household resources. You may subtract the business portion of your homestead property tax credit if you included it in taxable farm income.

Licensed Care Facilities

If you live in a licensed care facility, generally you do not qualify for the home heating credit. Licensed care facilities include adult foster care homes, licensed homes for the aged, nursing homes, and substance abuse treatment centers. If you lived in a licensed care facility only part of the year, you could qualify for a partial credit for the period you lived outside the facility. See “Part-Year Resident or Occupied Homestead Less Than 12 Months” on this page.

If your spouse lives in a licensed care facility and you live in the family homestead, you may still qualify for a credit. **File a joint credit claim and do not check a box on line 14.**

Subsidized senior citizen apartments are not licensed care facilities. If you live in a subsidized senior citizen apartment, you may apply for a credit.

Standard Credit

The standard credit computation uses standard allowances established by law. Use Table A on page 23 to find the standard allowance for the number of exemptions you claimed.

Shared Housing Standard Allowance

If you share a home but are not the owner or you do not have a contract to pay rent, you cannot claim a credit.

When two or more single adults share a home, each may claim a credit if each has contracted to pay rent or owns

a share of the home. Each claimant should file a home heating credit based on their total household resources and their share of the heat costs. First, determine the standard allowance from Table A on page 23 by adding the personal exemptions of all the claimants sharing a home. Divide this standard allowance by the number of claimants in the home.

Example: Three men share an apartment. Each has a signed lease and pays 1/3 of the rent. The standard allowance for three exemptions is \$1,027. Each person must use a standard allowance of \$342 ($\$1,027 \div 3 = \342) to compute his credit.

If you are eligible for a special exemption, compute your standard allowance following this example:

Example: Gertrude and Betty share a home and each pays one half of the rent. Gertrude is age 59, and Betty is age 65 and totally and permanently disabled. They file separate MI-1040CR-7 claims. They must first divide \$815 (the standard allowance for two exemptions) by two. Gertrude’s allowance is \$408 ($\$815 \div 2 = \408). Because Betty qualifies for a special exemption for being disabled (she is entitled to a disabled exemption until she is eligible for full Social Security at age 66 and 8 months), she may add the difference between the standard allowance for three (\$1,027) and the standard allowance for two (\$815) to \$408.

$$\$1,027 - \$815 = \$212 + \$408 = \$620$$

\$620 is the standard allowance for Betty.

If you are eligible for a dependent exemption, compute your standard allowance following this example:

Example: Marlin and Brody share an apartment. Each person has signed the lease agreement and pays one-half of the rent in 2025. The standard allowance for two exemptions is \$815. Each person must use a standard allowance of \$408 ($\$815 \div 2 = \408) to compute the credit.

Brody is eligible for a dependent exemption for his son, Logan, so he would then compute his credit as follows:

The standard allowance as computed above is \$408. Then add the difference between the standard allowance for three (\$1,027) and the standard allowance for two (\$815) to \$408.

$$\$1,027 - \$815 = \$212 + \$408 = \$620$$

\$620 is the standard allowance for Brody.

Part-Year Resident or Occupied Homestead Less Than 12 Months

You must prorate your standard allowance for the number of days you owned or rented and occupied your Michigan homestead. For example, you moved to Michigan on September 1. It is 122 days from September 1 to December 31. Divide 122 by 365 days and multiply the result by your standard allowance. Enter the prorated standard allowance on line 36 of your claim.

If you are a part-year resident, you must include all income received from any sources while a Michigan resident in total household resources.

Alternate Credit

The alternate credit uses heating costs to compute a home heating credit. Add the amounts you were billed for heat from November 1, 2024 through October 31, 2025 (see instructions for line 13). If you buy bulk fuel (oil, coal, wood, or bottled gas), add your receipts to get your total heating cost. Treasury may request receipts to verify your heating costs. **If your claim is for less than 12 months or your heating costs are currently included in your rent, you cannot claim an alternate credit.** You may claim heating costs on your Michigan homestead only. You may **not** claim heating costs on a vacation home or a home outside of Michigan.

For assistance in determining the credit for which you may qualify, visit www.michigan.gov/heatingassistance.

Credit Payments

If you are responsible for paying your heating bills, State law requires Treasury to issue your credit in the form of a State of Michigan Energy Draft. You can only use the draft to pay heat bills. Give the draft to your enrolled heat provider who will apply it to current or future heating bills for your home. If the amount of your draft is more than you owe, you may request a refund of the difference

by checking the box on line 46. See the instructions for line 46 on page 10 for more information.

If you receive a draft and your heat provider is not enrolled in Michigan's energy assistance program, your heat is in someone else's name, or if you use bulk fuel and have already bought your energy supply for the year, return the draft with a note of explanation to Treasury. Treasury will review your explanation and, if appropriate, reissue your credit in the form of a check. It may take 120 days or more to issue a check to replace the draft.

If you receive FIP assistance or other MDHHS benefits or you are enrolled with MDHHS for direct payment, the law requires your credit to be sent directly to your heat provider, who will then apply it to your account.

If your heat is provided by DTE Energy, Consumers Energy, or SEMCO Energy Gas, your home heating credit may be sent directly to your heat provider. (See instructions for line 46 on page 10.)

Hearings

You have the right to request a hearing if you do not agree with any action or decision Treasury makes regarding your home heating credit.

Line-by-Line Instructions for MI-1040CR-7

Lines not listed are explained on the form.

Amended Return box: If amending your 2025 credit, check the box at the top of the form. See page 4.

Lines 1, 2 and 3: Enter your name(s), current address, and full nine-digit Social Security number(s). If you are married filing separately, enter both Social Security numbers but do **not** enter your spouse's name. All Social Security numbers must be valid and assigned to a U.S. citizen or qualified alien. When full nine-digit Social Security numbers are not provided or are invalid, the credit will be denied.

Line 4: Enter your two-digit county code from the County Code Table on page 23.

Line 5: Check one box to describe the filer's homeowner/renter status. If the homeowner/renter status is not listed, mark "Other" and describe.

Line 6: Enter your heat provider name code from Table 1 on page 11. If you have heat included in your rent, ask your landlord to identify the heat provider for your homestead.

Line 7: Enter your three-digit heat type code from Table 2 on page 11. The heat type entered here must be for your primary household heating source. If you have heat included in your rent, ask your landlord to identify the heat type for your homestead.

Line 8: Filing Status. Check the box to identify your filing status. All couples who are married under the laws of the State of Michigan, or under the laws of another state, and are treated as married for federal tax purposes must claim either married filing jointly or married filing separately status on the home heating credit. If you file a joint federal return, you must file a joint home heating credit. Married couples who live together all year and file returns as married filing separately must check the box for joint filing status and include the total household resources of both spouses. An individual who became separated from their spouse during the tax year but is still married as of December 31 and who filed a return as married filing separately should check the married filing separately box and include Form 5049. If you filed your federal return as head of household or qualifying surviving spouse, you must file the home heating credit as single.

Line 9: Residency. Check the box that describes your Michigan residency for 2025. If you and your spouse had a different residency status during the year, check a box for each of you. If you checked box c, enter the dates of Michigan residency in 2025. You must then prorate your standard allowance following the instructions on page 5 for "Part-Year Resident or Occupied Homestead Less Than 12 Months". If you are a nonresident, you are not eligible for the home heating credit; do not file this form. College students and others whose permanent homes are not in Michigan are **not** Michigan residents.

Line 10: If your heating costs are included in your rent, you must check the box on line 10 and complete line 39 of the form to receive a check. Failure to do so will result in your credit being issued as a draft. You will then have to return the draft with a note of explanation to Treasury. It

may take 120 days or more to issue a check to replace the draft.

Line 11: Based on information you provide in this application, you may be qualified for other support programs. Check this box if you would like the State of Michigan to investigate and alert you to any opportunities for other assistance.

Line 13: If you checked the box on line 10 or the taxpayer died during the tax year and the credit is being claimed by a personal representative or claimant, skip this line. If you were not a full-year Michigan resident and/or were not billed for 12 months' heating costs between November 1, 2024 and October 31, 2025, skip this line. Otherwise, enter the heating costs you were billed from November 1, 2024 to October 31, 2025 on your Michigan homestead. Many fuel companies include the total heating cost for those 12 months on the October bill. If you cannot find your bills or the information is not on your October bill, contact your heat provider.

Line 14: If you lived in one of the care facilities listed on line 14 for all of 2025, you are not eligible for a home heating credit and should not file this form. If you are married and your spouse lived in a licensed care facility while you lived in your homestead, **do not check a box.** Also, do not check the "Licensed Home for the Aged" box if you live in subsidized senior citizen housing. See "Licensed Care Facilities" on page 5.

Line 15: Exemptions.

Line 15a: Personal Exemption. Enter "1" if you are single or married filing separately; "2" if you are married filing jointly.

Line 15b: Michigan Special Exemptions: Deaf, Blind, or Certain Disabilities. Complete this line, claiming only one exemption per person as it applies to you, your spouse and your dependents. If your dependent files a credit claim, you or your dependent, but not both, may claim the dependent's special exemption. You qualify for this exemption if you are deaf, blind, hemiplegic, paraplegic, quadriplegic, or totally and permanently disabled.

- Deaf means the primary way you receive messages is through a sense other than hearing (e.g., lip reading or sign language).
- Blind means your better eye permanently has 20/200 vision or less with corrective lenses, or your peripheral field of vision is 20 degrees or less.
- Totally and permanently disabled means disabled as defined under Social Security Guidelines 42 USC 416.
If you were age 66 by February 28, 2025, you may not claim an exemption as totally and permanently disabled.

Line 15c: Qualified disabled veteran. Taxpayers may claim an extra exemption if the taxpayer or spouse is a qualified disabled veteran, or a dependent of the taxpayer is a qualified disabled veteran. To be eligible for the additional exemption an individual must be a veteran of the active military, naval, marine, coast guard, or air service who received an honorable or general discharge and has a disability incurred or aggravated in the line of duty as described in 38 USC 101(16). This additional

exemption may not be claimed on more than one credit claim.

Line 15g: Dependent Adults. Include dependents over the age 18 who live with you **and for whom you provided more than half of their support.** If your dependent files a credit claim, you or your dependent, but not both, may claim an exemption for the dependent.

Line 16: To comply with the federal Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), the names, Social Security numbers, and status as a dependent and U.S. citizen or qualified alien for all household members must be reported. The collection of additional demographic information is required in accordance with the federal Low Income Home Energy Assistance Program (LIHEAP) statute (Public Law 97-35, as amended), and 45 CFR 96.82. Use the charts provided to enter this information. Enter both filer's and spouse's (if filing jointly) age, one ethnicity code, one race code, one gender (biological sex) code, and check the remaining box, if applicable. For purposes of the chart household members include:

- All those claimed as dependent children on lines 15d through 15f
- All those claimed as dependent adults other than your spouse on line 15g
- All other individuals living with you and not already included on lines 15d through 15g. Include individuals temporarily absent from the homestead due to illness or employment. Do not include individuals absent from the homestead for 90 consecutive days or more during 2025. Do not include individuals who are filing a separate form for their own home heating credit.

For each household member, enter their SSN, age, one ethnicity code, one race code, and one gender (biological sex) code in the appropriate box. For children 12 months and under, enter one year. Check all the boxes that apply to each household member in the remaining fields. If the SSN is left blank, the credit will be denied.

If you have more than five household members, complete the *Michigan Home Heating Credit Claim MI-1040CR-7 Supplemental* (Form 4976) on page 21.

Total Household Resources

You must complete lines 17 through 35 on MI-1040CR-7 even if you filed a homestead property tax credit claim (MI-1040CR or MI-1040CR-2). Include all taxable and nontaxable income you and your spouse received in 2025. If your family lived in Michigan and one spouse earned wages outside Michigan, include the income earned both in and out-of-state in your total household resources.

Line 17: Enter all compensation received as an employee. Include strike pay, supplemental unemployment benefits (SUB pay), sick pay, or long-term disability benefits, including income protection insurance and any other amounts reported to you on Form W-2.

Line 18: Do not include business dividend and interest income reported as a distributable share on your federal *Schedule K-1*. See line 19 instructions.

Line 19: Enter the amount to the extent included in AGI from:

- U.S. *Schedule C* (Profit or Loss from Business)
- Part II (Ordinary Gains and Losses) of the U.S. Form 4797
- Part II (Income or Loss from Partnerships and S Corporations) and Part III (Income or Loss from Estates and Trusts) of the U.S. *Schedule E*
- U.S. *Schedule F* (Profit or Loss from Farming)
- Include income items reported as a distributive share.

If the total is negative enter "0." Include amounts from sources outside Michigan. Include the above federal schedules with your claim.

Line 20: Enter the amount to the extent included in AGI from:

- Part I (Income or Loss from Rental Real Estate and Royalties) of the U.S. *Schedule E*
- Part IV (Income or Loss from Real Estate Mortgage Investment Conduits (REMIC)) of the U.S. *Schedule E* (rents, royalties)
- Part V (Net farm rental income or (loss) from Form 4835) of the U.S. *Schedule E*.

If the total is negative enter "0." Include amounts from sources outside Michigan. Include the above federal schedules with your claim.

Line 21: Enter all annuity, retirement, pension, and individual retirement account (IRA) benefits. This should be the taxable amount shown on your U.S. Form 1099-R. If no taxable amount is shown on your U.S. Form 1099-R, use the amount required to be included in AGI. Enter zero if all of your distribution is from your contributions made with income previously included in AGI. Include reimbursement payments such as an increase in a pension to pay for Medicare charges. Also include the total amount of any lump sum distribution including amounts reported on your U.S. Form 4972. Do **not** include recoveries of after-tax contributions or amounts rolled over into another plan (amounts rolled over into a Roth IRA must be included to the extent included in AGI).

You must include any part of a distribution from a Roth IRA that exceeds your total contributions to the Roth IRA regardless of whether this amount is included in AGI. Assume that all contributions to the Roth IRA are withdrawn first. **NOTE:** Losses from Roth IRAs cannot be deducted.

Line 22: Enter net capital gains and losses. This is the total of short-term and long-term gains less short-term and long-term losses from your U.S. *Schedule D* (losses cannot exceed \$3,000 if single or married filing jointly or \$1,500 if married filing separately). Include gains realized on the sale of your residence whether or not these gains are exempt from federal income tax.

Line 23: Enter alimony received and other taxable income. Only include alimony received if due to a divorce granted prior to 2019. Other taxable income includes: awards, prizes, lottery, bingo, and other gambling winnings over \$300; farmland preservation tax credits if not included in net farm income on line 19; and

forgiveness of debt to the extent included in federal AGI (e.g., mortgage foreclosure).

Line 24: Enter all Social Security, Supplemental Security Income (SSI), and/or Railroad Retirement benefits. Include death benefits **and amounts received for minor children or other dependent adults** who live with you. Report the amount actually received. Medicare premiums reported on your Social Security or Railroad Retirement statement should be deducted.

Line 25: Enter child support and all payments received as a foster parent. **NOTE:** If you received a 2025 *Custodial Party (CP) End of Year Statement* (FEN-851) showing child support payments paid to the Friend of the Court, enter the child support portion here and include a copy of the statement. Also see line 30 instructions.

Line 26: Enter all unemployment compensation received during 2025.

Line 27: Enter the value over \$300 in gifts of cash or merchandise received, or expenses paid on your behalf (rent, taxes, utilities, food, medical care, etc.) by parents, relatives, or friends. This includes the amount of financial support you received if you are claimed as a dependent on someone else's return. Do not include government payments made directly to third parties such as an educational institution or subsidized housing project.

Line 28: Enter other nontaxable income. This includes:

- Nongovernmental scholarship, stipend or grant payments paid directly to an educational institution
- Compensation for damages to character or for personal injury or sickness
- An inheritance (except an inheritance from your spouse)
- Proceeds of a life insurance policy paid on the death of the insured (except benefits from a policy on your spouse)
- Death benefits paid by or on behalf of an employer
- Minister's housing allowance
- Forgiveness of debt to the extent not included in federal AGI (e.g., mortgage foreclosure)
- Reimbursement from dependent care and/or medical care spending accounts.

For more information, see "Total Household Resources" on page 4.

Line 29: Enter workers' compensation, service connected disability compensation and pension benefits from the Veterans Administration. Veterans receiving retirement benefits should enter the benefits on line 21.

Line 30: Enter the total payments made to your household by MDHHS and all other public assistance payments such as state adoption subsidies. Your 2025 *Client Annual Statement* (DHS-1241) mailed by MDHHS in January 2026 will show your total MDHHS payments. Your statement(s) may include the following: FIP assistance, State Disability Assistance (SDA), Refugee Assistance, Repatriate Assistance, and vendor payments for shelter, heat, and utilities.

NOTE: If you received a 2025 FEN-851 (include a copy), subtract the amount of child support payments entered on line 25 from the total MDHHS payments and enter the difference here.

Line 32: Enter total adjustments from your U.S. Form 1040, *Schedule 1*. Describe adjustments to income. These adjustments reduce total household resources and include some of the following:

- Payments to IRAs, SEP, SIMPLE, or qualified plans
- Student loan interest deduction
- Moving expenses incurred by members of the Armed Forces on active duty and, due to a military order, move **into or within Michigan** because of a permanent change in station. Moving expenses when moving **out of Michigan** cannot be included in "Other Adjustments" to reduce total household resources.
- Deduction for self-employment tax
- Self-employed health insurance deduction
- Penalty on early withdrawal of savings
- Alimony paid if deductible on your U.S. Form 1040
- Jury duty pay you gave to your employer
- Archer Medical Savings Account (MSA) deduction
- Health Savings Account (HSA) deduction
- Any other adjustments to gross income included on your 2025 U.S. Form 1040, *Schedule 1*. This does not include Medicaid waiver payments.

Line 33: Enter health insurance premiums, Health Maintenance Organization (HMO) premiums, or other insurance premiums you paid for yourself and your family. Include the following premiums:

- Medical insurance
- Dental insurance
- Vision insurance
- Prescription drug plan
- Automobile insurance (medical care portion only).

Do **not** include any insurance premiums deducted on line 24 or line 32, amounts paid for income protection insurance (long-term disability), long-term care insurance, or amounts paid by an employer with pre-tax payroll contributions.

You must reduce an insurance premium by the federal premium tax credit received under the Patient Protection and Affordable Care Act. Use the 2025 U.S. Premium Tax Credit Form 8962 to calculate the net insurance premium. The annual total insurance premium (line 11(a) of U.S. Form 8962 or the sum of lines 12(a) through 23(a) of U.S. Form 8962) less the total premium tax credit (line 24 of U.S. Form 8962) may be claimed.

Your Credit

There are two ways to compute a home heating credit: the standard credit and the alternate credit. If you are eligible to claim either credit, figure your credit both ways and claim the larger amount.

Lines 36 through 38: Standard credit. See Table A on page 23. Find the number of exemptions you are allowed and the corresponding income ceiling amount. If your

total household resources are less than this amount, you are eligible to use this method to calculate your credit.

Example: You and your spouse have three dependent children, so you are allowed five exemptions. Your total household resources are \$15,000. This is less than the \$41,414 income ceiling for five exemptions. Complete the form using the standard credit method.

If you are a part-year resident or occupied your homestead less than 12 months, see page 5 for information on how to prorate your standard allowance.

Line 39: If your heat is included in your rent at the time you file this claim, you must reduce your computed standard credit by 50 percent (0.50). Multiply line 38 by 0.50. Enter this amount on lines 39 and 44. Your credit may be direct deposited if approved to be issued as a check.

Lines 40 through 43: Alternate credit. If your claim is for less than 12 months or your heat cost is included with your rent, you are not eligible to use the alternate credit method.

If your total household resources are less than the maximum income for your number of Michigan exemptions, you may claim this credit. See Table B on page 23.

Example: You are single, have one dependent child and your 70-year old father is also your dependent. You are allowed three exemptions. Your annual heat costs were \$1,100 and your total household resources are \$5,500. This is less than \$31,449 the maximum income for three exemptions.

Line 44: If you completed line 39, you **must** enter that amount here. Otherwise, enter the larger amount from line 38 or line 43.

Line 45: Multiply the amount on line 44 by 60 percent (0.60) (the percentage of federal home heating assistance funds available for this year) and enter here. This is the amount of your 2025 home heating credit.

Line 46: If your heat is provided by DTE Energy, Consumers Energy, or SEMCO Energy Gas, your home heating credit may be sent directly to your heat provider. If the credit amount exceeds your heat account balance, check this box to receive a refund from your heat provider for the overpayment, when eligible.

If you received heating assistance from MDHHS, a governmental agency, or a nonprofit organization in the 12 months prior to the receipt of your home heating credit, your heat provider will apply your credit to any outstanding balance still remaining on your account. If, after nine months, a refund balance still remains on account with your heat provider, your heat provider will issue a refund to you. If you have not received heating assistance in the past 12 months, your heat provider will first apply your credit to any outstanding balance on your account and then issue any remaining balance to you as a refund. The home heating credit is not considered heating assistance for determining when you may receive a refund.

Direct Deposit

Check with your financial institution to (1) make sure it will accept Direct Deposit, (2) obtain the correct Routing Transit Number (RTN) and account number, and (3) if applicable, verify that your financial institution will allow a joint refund to be deposited into an individual account.

Direct Deposit requests associated with a foreign bank account are classified as International ACH Transactions (IAT). If your Direct Deposit is forwarded or transferred to a bank account in a foreign country, it will be returned to Treasury. If this occurs, your refund will be converted to a check and mailed to the address on your tax return. Contact your financial institution for questions regarding the status of your account.

a. RTN. Enter the nine-digit RTN. The RTN is usually found between the symbols |: and |: on the bottom of your check. The first two digits must be 01 through 12 or 21 through 32.

b. Account Number. Enter your financial institution account number up to 17 characters (both numbers and letters). The account number is usually found immediately to the right of the RTN on the bottom of your check. Include hyphens but omit spaces and special symbols. Do **not** include the check number.

c. Type of Account. Check the box for checking or savings.

Heat Provider Contact Information

Consumers Energy.....	1-800-477-5050 www.consumersenergy.com
DTE Energy	1-800-477-4747 www.dteenergy.com
SEMCO Energy Gas.....	1-800-624-2019 www.semcoenergygas.com
Upper Peninsula Power Company	1-906-449-2013 www.uppc.com

When You Have Finished

Sign your return

Review your claim to make sure your name(s), Social Security number(s), address, and all other important information are on the claim. If the return is completed by a tax preparer he or she must include the name, address, telephone number of the firm he or she represents, and preparer tax identification number or federal employer identification number. Check the box to indicate if Treasury may discuss your return with your preparer.

The Taxpayer Protection Act requires paid preparers to sign the return and provide their preparer tax identification number. Additional information on the Taxpayer Protection Act is available at www.michigan.gov/taxes.

A paid preparer must not engage in any fraudulent tax activity. Any concerns related to fraudulent activity of a paid preparer may be reported to the Michigan Department of Treasury, Fraud Unit, P.O. Box 30140, Lansing, MI 48909. Any tax-related identity theft concerns, see page 4 of the MI-1040 booklet.

Table 1: Heat Provider Name Codes. Heat Provider Name Codes are listed alphabetically within each heat type with code numbers to the left of the names.

Electric Heat

901832	Cherryland Electric Cooperative
901748	City of Bay City
900203	Cloverland Electric Cooperative
0900213	Consumers Energy
0900257	DTE Energy
900815	Great Lakes Energy Cooperative
900550	Indiana Michigan Power Company
901334	Lansing Board of Water and Light
901413	Tri County Electric Cooperative
901142	Upper Peninsula Power Company
901207	Wisconsin Electric Power Co.
900656	Xcel Energy/Northern States Power Company
9999999	Other

Fuel Oil

901212	American Gas & Oil
900486	Blarney Castle
900115	Bowman Gas & Oil Co
900166	Cass City Oil & Gas
900347	CF Fick & Sons
900231	Coyne Oil
900238	Crystal Flash
900292	Ellsworth Farmers Exchange
900360	Forward Energy
900415	Gary Oil Company
900573	Johnson Oil Co.
5264520	Keweenaw Petroleum Services
902042	Krist Oil Co
901297	Marlette Oil & Gas
900764	Naser Oil & Propane
900863	Peterson Oil Co.
900992	Scotland Oil Co.
1321795	Suburban Propane LP
901181	Webster & Garner
6951893	Wesco Inc.
9999999	Other

Natural Gas

900198	Citizens Gas Fuel Co.
0900213	Consumers Energy
0900720	DTE Energy
1111171	Michigan Gas Utilities (MGU)
900908	Presque Isle Electric & Gas Cooperative
0901035	SEMCO Energy Gas
6541563	Superior Energy Co. LLC
901247	Wisconsin Public Service Corp
900656	Xcel Energy/Northern States Power Company
9999999	Other

Propane/LP Gas

96531	Amerigas
900098	Blarney Castle
3460040	Blue Flame
900347	CF Fick & Sons
9913090	Coyne Propane
900238	Crystal Flash
900292	Ellsworth Farmers Exchange
900793	Ferrellgas
6187524	Fischer LP Gas
900360	Forward Energy
3914321	Fruitport LP Gas
0900416	Gas Production Company Inc
44650	Heintz Propane
7468172	Irons Bottle Gas Inc.
42923	Suburban Propane LP
3225004	Sunrise Gas
7889343	Tall Pines Propane
5118611	Tapper Propane
901131	Tri Gas Dist Co.
1573603	UP Propane LLC
4939245	Ziehm LP Gas
9999999	Other

Wood and Other Heat Types Not Listed

96492	B. Decare
8244138	B. Kirschner
4289	B. Moeke
24034	Cooks Forest Products
195425	Countryside Firewood
202175	DT Firewood
3425749	Enchanted Acres
672	Family Farm and Home
8451	Hauger Forest Products
200734	Hess Corn Energy Products
9424005	J. Blades
1930205	J. Helsel
8922999	K. Sadler
2121270	Kellys Tree Service
2100252	K. Walraven
6873115	Lutke Forest Products
669	M. Heikkinen
160747	Mid Michigan Tree Service
202769	Ryan's Firewood Processing
2155410	Services by Tim
9999999	Other

Table 2: Heat Type Codes

100	Electric Heat
200	Fuel Oil
300	Natural Gas
400	Propane/LP Gas
500	Wood and Other Heat Types Not Listed

TABLE A: 2025 Home Heating Credit Standard Allowance

NOTE: If you lived in your homestead for less than 12 months, you must prorate your standard allowance (see instructions).

Your Exemptions (from line 16h)	Standard Allowance	Income Ceiling
0 or 1	\$604	\$17,243
2	\$815	\$23,271
3	\$1,027	\$29,329
4	\$1,239	\$35,385
5	\$1,451	\$41,443
6	\$1,662	\$47,471
	+ \$212 for each exemption over 6	+ \$6,057 for each exemption over 6

TABLE B

Exemptions and Maximum Income for the Alternate Credit Computation

Your Exemptions (from line 16h)	Maximum Income
0 or 1	\$18,592
2	\$25,018
3	\$31,449
4 or more	\$34,227

COUNTY CODE TABLE

01 Alcona	22 Dickinson	43 Lake	64 Oceana
02 Alger	23 Eaton	44 Lapeer	65 Ogemaw
03 Allegan	24 Emmet	45 Leelanau	66 Ontonagon
04 Alpena	25 Genesee	46 Lenawee	67 Osceola
05 Antrim	26 Gladwin	47 Livingston	68 Oscoda
06 Arenac	27 Gogebic	48 Luce	69 Otsego
07 Baraga	28 Grand Traverse	49 Mackinac	70 Ottawa
08 Barry	29 Gratiot	50 Macomb	71 Presque Isle
09 Bay	30 Hillsdale	51 Manistee	72 Roscommon
10 Benzie	31 Houghton	52 Marquette	73 Saginaw
11 Berrien	32 Huron	53 Mason	74 St. Clair
12 Branch	33 Ingham	54 Mecosta	75 St. Joseph
13 Calhoun	34 Ionia	55 Menominee	76 Sanilac
14 Cass	35 Iosco	56 Midland	77 Schoolcraft
15 Charlevoix	36 Iron	57 Missaukee	78 Shiawassee
16 Cheboygan	37 Isabella	58 Monroe	79 Tuscola
17 Chippewa	38 Jackson	59 Montcalm	80 Van Buren
18 Clare	39 Kalamazoo	60 Montmorency	81 Washtenaw
19 Clinton	40 Kalkaska	61 Muskegon	82 Wayne
20 Crawford	41 Kent	62 Newaygo	83 Wexford
21 Delta	42 Keweenaw	63 Oakland	

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Help With Child Care Costs

If your family income is at or below levels established by the Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP) and you have a qualifying need or reason you may be eligible for help with child care costs. For example, a family of three with an income of less than \$53,304 may qualify for Child Development and Care (CDC) Scholarship to help pay the cost of care. Contact any local Michigan Department of Health and Human Services (MDHHS) office for assistance in the application process. For more details about the CDC program, visit **www.michigan.gov/childcare**. To find a licensed or registered child care provider in your area, visit www.greatstarttoquality.org or reach out to your Great Start to Quality Resource Center for assistance.

Winter Protection Plan

If you are a low income or senior citizen customer of a natural gas or electric utility company, regulated by the Michigan Public Service Commission and would like to participate in the Winter Protection Plan, a payment deferral program that provides winter shut off protection from November 1 to March 31, contact your local energy supplier or the Michigan Public Service Commission at 1-800-292-9555 for details.

Affordable Rental Housing

Looking for affordable rental housing?

Go to **www.affordablehousing.com**. It is the best source for affordable rental housing across the State. It's a free resource for property owners and renters with over 240,000 unit listings.