



Questions & Answers

The City of Hudson Income Tax Ordinance can be found at our website:

www.ci.hudson.mi.us/government

Codes, Forms and Permits Code of Ordinances

Ordinance No. 190, Uniform City Income Tax Ordinance was adopted July 7, 1970 and effective January 1, 1971. Complete copies of this ordinance are available for public use, distribution and inspection at the office of the city clerk.

Who Must File? All residents of the City of Hudson with an annual income of \$1,000 or more. Non-residents who earned wages within the city limits or with rental property in the City. All businesses in the City of Hudson.

A **resident** of the City of Hudson is someone who lives within the city limits **OR** has listed an address within the city limits on their Michigan Voter Registration

Retirees with **Social Security and/or Pension income ONLY** are EXEMPT from filing and individuals with **Social Security Disability income ONLY** are EXEMPT from filing

A **non-resident** who lives elsewhere **BUT** has earned **Wages** within the city limits or has **Rental Property** within the City

What Income is Taxable for Residents? Residents with an annual income of \$1,000 or more is taxable. This includes:
Wages, salaries, bonuses, commissions Gains on sale of property
Net-Profit from a business Alimony payments
Interest from bank accounts Michigan State Lottery winnings

For **college students** who reside outside Hudson during the school year, their Taxable Income is *Wages, salaries, bonuses, commissions* that are earned **within** the City of Hudson.

What Income is Non-Taxable for Residents & Non-Residents? Non-Taxable Income for Residents and Non-Residents includes:
Gifts and Inheritances Unemployment Benefits & SUB pay
Proceeds from Insurance Workmen's Compensation payments
Dividends from Insurance Policy Military Pay from US Armed Forces
Social Security Benefits Pensions, Disabilities, Annuities, 401Ks, IRA

What Income is Taxable for Non-Residents? Taxable Income for Non-Residents includes:
Wages, salaries, bonuses, commissions (if earned in the City)
Net profit from a business (only if conducted in the City)
Net profit from rentals in the City
Gains on sale of property in the City

I am Exempt, what should I do?	Please call or stop in at the Hudson City Office and let us know that you are Exempt. Once this is noted in our files, you are all set.
How do I file?	The City of Hudson has a form for filing Individual Income Tax (Form HU-1040). This form is available at the City Office and on our website. You will need to attach a copy of your W-2s to the form and sign. If claiming business exemptions, profit/loss, sale of property, etc. you must include the Federal Schedule.
How many exemptions do I receive?	When completing the HU-W4 with your employer for withholding, it is a straight 1% for residents, 1/2% for non-residents . Your exemptions are calculated when you file your City tax return. You receive \$1,000 each for yourself, spouse and children; additional exemption for yourself or spouse that are blind, deaf, or disabled; plus any qualifying exemptions from your Federal Tax Return.
Can I e-File?	No. The City of Hudson does not accept electronic submission of the HU-1040 from either popular tax software (TurboTax/Quicken) nor from your tax preparer.
When do I file?	The City of Hudson Individual Income Tax form is due on May 1st .
I owe money	Payment arrangements can be made by contacting the Income Tax Administrator at the Hudson City Office.
I live elsewhere but I might be registered to vote in Hudson	If you are listed as a voter in the City of Hudson, you are stating that this is your residence, therefore, making you liable for Resident income tax. There are a few exceptions, so please contact the Income Tax Administrator for information. (Visit the Michigan Voter Information Center at www.Michigan.gov/Vote or stop in at the Hudson City Office or your local Secretary of State's office).
I live in Hudson and I work in Hudson	You are liable for a 1% Income Tax as a Resident. Businesses within the city limits are required to withhold your city income tax. You need to file a return with the City.
I live in Hudson and I work elsewhere	You are liable for a 1% Income Tax as a Resident. Businesses OUTSIDE the City limits MAY register with the city and withhold your income tax as a courtesy. Ask your HR/Payroll department to contact the City Office. You need to file a tax return with the City.
... and I already pay city taxes there (ie Jackson)	you must file a return in THAT CITY, attach a copy of the tax return to your City of Hudson tax form to receive up to a 50% credit on your Hudson liability (which is determined by the amount retained by the other city).
I live elsewhere but I work in Hudson	You are liable for a 1/2% Income Tax as a Non-Resident. Businesses within the city limits are required to withhold your city income tax. You will need to file a return with the City.
I still have questions	If you have any questions, or need assistance filling out your Hudson Tax Form, please contact the Income Tax Administrator at the Hudson City Office at 517-448-8983 or email deputy@ci.hudson.mi.us