

## CALCULATING DUES

Determine your company's Capital and Surplus (C&S) allocable to Michigan. Data necessary to calculate C&S can be found on the company Balance Sheet. C&S is equivalent to total stockholder equity.

### A. If all assets are in Michigan:

**A-1** Determine your company's total stockholder equity (stock plus retained earnings).

**A-2** Refer to the dues schedule below. Determine the appropriate category and dues amount.  
*In the example, the stockholder equity (C&S) is \$4,110,000. This amount falls into Category 3 and dues would equal \$590.*

### B. If a portion of your assets are outside Michigan:

**B-1** Determine your company's total stockholder equity (stock plus retained earnings).

**B-2** Calculate the percentage of assets employed in Michigan. This figure becomes the basis for determining your dues level.

*In the example: \$2,950,000 in Michigan assets, divided by \$4,310,000 total assets, equals 68.45% of assets employed in Michigan.*

**B-3** Apply the percentage to stockholder equity.  
 $68.45\% \times \$4,110,000 = \$2,813,295$

**B-4** Refer to the dues schedule to determine dues level.

*\$2,813,295 falls into Category 2, therefore dues equal \$450.*

## TAX NOTICE

The portion of 2010 membership dues allocable to lobbying expenditures, and thus not deductible for federal income tax purposes, is 48%. Membership dues are not deductible as charitable contributions, although 52% may be deductible as ordinary and necessary business expenses for federal income tax purposes. Dues, as approved by the MMA Board of Directors in December 2009, are payable in advance.

## BALANCE SHEET

Assets	Total	Within Michigan	Outside Michigan	Liabilities and Equity	
Cash	\$250,000	\$200,000	\$50,000	Notes and Accounts Payable, Trade	\$100,000
Notes and Accounts Receivable	50,000	50,000		Notes and Accounts Payable, Other	
Inventories	500,000	400,000	100,000	Accrued Expenses	
Prepaid Expenses	10,000	10,000		Long-Term Indebtedness	100,000
Non-Current Notes and Accounts Receivable				Reserves and Contingent Liabilities	
Land	100,000	90,000	10,000	Deferred Income Tax	
Depreciable Assets				<b>Stockholder Equity</b>	
Machinery and Equipment	500,000	400,000	100,000	Common Stock	500,000
Furniture and Fixtures	100,000	90,000	10,000	Preferred Stock (par value)	
Buildings	1,000,000	900,000	100,000	No Par Value Stock (stated value)	
Other				Additional Paid-In Capital	
				Retained Earnings (deficit)	3,610,000
Less Depreciation	200,000	190,000	10,000	Other	
Net Depreciable Assets	1,400,000	1,200,000	200,000		
Investments				<b>Total Stockholder Equity</b>	<b>\$4,110,000</b>
Investments in Subsidiaries					
Other Investments	2,000,000	1,000,000	1,000,000	TOTAL LIABILITIES AND EQUITY	\$4,310,000
Other Assets					
<b>Total Assets</b>	<b>\$4,310,000</b>	<b>\$2,950,000</b>	\$1,360,000		

$$\frac{\$2,950,000}{\$4,310,000} = 68.45\% \times \$4,110,000 = \$2,813,295 \text{ — Category 2: (C\&S = \$1.5 to \$3.0 million) — Dues are \$450}$$

## DUES SCHEDULE

Annual membership dues are based on Capital and Surplus (properly allocable to Michigan) as indicated in the following schedule. Dues are payable in advance. There are no other membership dues or assessments.

Category	Capital & Surplus	Dues	Category	Capital & Surplus	Dues
			9	\$25.0 to \$35.0 million	\$1,950
			10	\$35.0 to \$50.0 million	\$2,300
			11	\$50.0 to \$75.0 million	\$2,670
			12	\$75.0 to \$100.0 million	\$2,920
			13	\$100.0 to \$150.0 million	\$3,460
			14	\$150.0 to \$200.0 million	\$3,880
			15	\$200.0 to \$250.0 million	\$4,420
			16	\$250.0 to \$350.0 million	\$6,890
			17	\$350.0 to \$450.0 million	\$10,630
			18	\$450.0 to \$550.0 million	\$15,170
			19	\$550.0 million and over	\$37,880