

Line No.	Description	Historic 01/01/21 - 12/31/21	Adjustments	Projected 01/01/22 - 12/31/22	Adjustments	Proposed 01/01/23 - 12/31/23
1	Total Income Taxes	6,485	(7,923)	(1,438)	(598)	(2,036)
2						
3	PreTax Income	25,148	(27,537)	(2,388)	(1,941)	(4,329)
4	Federal Statutory Rate	21.00%		21.00%		21.00%
5	Federal Income Taxes at Statutory Rate	<u>5,281</u>	<u>(5,783)</u>	<u>(502)</u>	<u>(408)</u>	<u>(909)</u>
6						
7	State (MN) Rate X Apportionment X (1- Fed Rate)	7.74%		7.74%		7.74%
8	State (MN) Income Tax at (State Rate x Apport Fctr * 0.79) Rate	<u>1,947</u>	<u>(2,132)</u>	<u>(185)</u>	<u>(150)</u>	<u>(335)</u>
9						
10	Meals and Entertainment	4,597	0	5	22	27
11	<b>Total Other Permanent Items</b>	<u>5</u>	<u>0</u>	<u>5</u>	<u>22</u>	<u>27</u>
12	Sum of Federal & MN Tax Rates	28.74%		28.74%		28.74%
13	Total Tax Impact of Other Permanent Items	<u>1</u>	<u>0</u>	<u>1</u>	<u>6</u>	<u>8</u>
14						
15	Tax Reform Amortization Credit	(750)	0	(750)	(47)	(797)
16	Normalization Adjustment-Federal (Medicare)	(3)	(0)	(3)	0	(3)
17	Prior Year Adjustment	8	(8)	-	-	-
18	<b>Total Credits and Adjustments</b>	<u>(745)</u>	<u>(8)</u>	<u>(753)</u>	<u>(47)</u>	<u>(800)</u>
19						
20	<b>Sum of all Income Tax Impacts Above</b>	<u>6,485</u>	<u>(7,923)</u>	<u>(1,438)</u>	<u>(598)</u>	<u>(2,036)</u>
21	Effective Tax Rate Calculated from Detail					
22						
23	Minnesota Federal Income Taxes	4,466	(5,684)	(1,218)	950	(268)
24	Minnesota State Income Taxes	<u>1,932</u>	<u>(2,104)</u>	<u>(172)</u>	<u>(1,671)</u>	<u>(1,843)</u>
25	<b>MERC-Minnesota</b>	<u>6,398</u>	<u>(7,788)</u>	<u>(1,389)</u>	<u>(721)</u>	<u>(2,111)</u>
26						
27	Michigan Federal Income Taxes	63	(99)	(36)	61	25
28	Michigan State Income Taxes	<u>24</u>	<u>(37)</u>	<u>(13)</u>	<u>62</u>	<u>49</u>
29	<b>MERC-Michigan</b>	<u>87</u>	<u>(135)</u>	<u>(49)</u>	<u>123</u>	<u>74</u>

Line	Description	Reference	Amount
1			
2	Income Before Income Taxes		100.000%
3			
4	State Tax Rate		9.800%
5			
6	Federal Income Tax Base	Line 2 - Line 4	90.200%
7			
8	Times Federal Income Tax Rate		21.000%
9			
10	Federal Income Tax	Line 6 * Line 8	18.942%
11			
12	Combined Federal and State Income Tax Rates	Line 4 + line 10	28.742%