

## MAINE RESIDENT QUICK REFERENCE

MAINE Manual Adjustments	Ref	Amount	Enter Here in TaxSlayer
The Maine tax return starts with Federal Adjusted Gross Income. Adjustments are necessary to add or subtract from this amount based on Maine taxable Income. TSO populates Line 14 of Maine Form 1040ME with Federal AGI.			
No Entries needed to Itemized Deductions	A		Itemized Deductions
Enter the amount of the Maine Public Employees Retirement Contributions from Box 14 labeled <b>MEPERS</b>	B		Additions to Income Maine Public Employees Retirement Contributions
Enter the amount of interest from US Savings Bonds and direct obligations of the US Government to be excluded from Maine Income	C		Subtractions from Income US Bond Interest in Federal AGI
	SUBTOTAL		
If included in Federal AGI, enter interest from Maine municipal general obligations & private activity bonds and bonds issued by a Maine airport authority. (Rarely seen by Taxaide)	D		Subtractions from Income State Bond Interest
	SUBTOTAL		
Enter if retired after 1988 and are receiving benefits from the Maine Public Employees Retirement System(MainePERS). Subtract box 14 amount from box 2a on Form 1099-R.	E	+Box 2A -Box 14	Subtractions from Income Pretaxed State Retirement System Pickup Contributions
	SUBTOTAL		
Enter Non-Military Pension Distributions including IRA Distributions for <b>TAXPAYER</b> excluding conversions and distributions subject to early withdrawal penalties.	F		Subtractions from Income Pension Income Deduction Total Pensions Other than SSA/RRB
	SUBTOTAL		
Enter Non-Military Pension Distributions including IRA Distributions for <b>SPOUSE</b> if MFJ excluding conversions and distributions subject to early withdrawal penalties.	F		Subtractions from Income Pension Income Deduction Total Pensions Other than SSA/RRB
	SUBTOTAL		
Enter Military Pension Distributions for <b>TAXPAYER</b>	G		Subtractions from Income Pension Income Deduction Total Eligible Military Pension Income
	SUBTOTAL		
Enter Military Pension Distributions for <b>SPOUSE</b> if MFJ	G		Subtractions from Income Pension Income Deduction Total Eligible Military Pension Income
	SUBTOTAL		
Enter the Quality Child Care Program Name, Certificate Number and expenses paid.	H		Credits Child Care Credits
Enter the other State, the other State's AGI and the other State's Tax Liability. TSO may calculate this credit if a Non-resident return is present for <u>another state</u> .	I		Credits Credit For Taxes Paid To Another State
Enter the Qualifying Person's name, SSN and Expenses for the Adult Dependent Care Credit if <b>NOT</b> entered on Federal Form 2441.	J		Credits Adult Dependent Care Credit
Enter rent paid or property tax paid for a Maine Resident. Be sure to answer "Yes" to complete the Property Tax Fairness Credit as this schedule is also Sales Tax Fairness Credit Schedule. See Notes in Explanations.	K		Credits Property Tax Fairness Credit Schedule PTFC Do you want to complete the Schedule PTFC?

<b>Miscellaneous Information Regarding How TSO handles Federal to MAINE Resident Transactions</b>	
	TSO brings over State Taxable Interest from 1099-INT Exempt Interest to Schedule 1 Line 1a.
	TSO does NOT bring over the amount of US Savings Bond Interest entered on 1099-INT to be subtracted from Maine Income. Preparer must enter in "Subtractions from Income" so it appears on Schedule 1 Line 2a.
A	TSO brings over the total itemized deductions from Federal Schedule A to Schedule 2 Line 1. TSO brings over State Income Taxes from Federal Schedule A Line 5a to Schedule 2 Line 2a. TSO brings over the Medical deduction from Federal Schedule A to Schedule 2 Line 2d.
B	Contributions to the MePERS are tax deferred for federal income tax purposes, but are taxable for Maine Income Tax purposes.
C	Since TSO does NOT bring over the amount of US Savings Bond Interest entered on 1099-INT to be subtracted from Maine Income, an entry is needed to subtract this from income since this interest is not taxable in Maine.
D	Interest from Maine municipal general obligations & private activity bonds and bonds issued by a Maine airport authority that was included in taxable interest on the federal return must be adjusted to exclude it from Maine taxable income. (Rarely seen by Taxaide)
E	Contributions to the MePers are tax deferred for federal income tax purposes but are taxable for Maine Income Tax purposes. Consequently, when retiree receives distributions, the amount of the Pick-Up contributions reduce the federal taxable income.
F	Maine allows a deduction to taxable income of up to \$10,000 each for taxpayer and spouse (if married) of other non-military pension income that is included in federal adjusted gross income. The \$10,000 cap must be reduced by any social security and railroad retirement benefits received, whether taxable or not. TSO automatically brings SSA/RRB gross benefits into the pension worksheet.
G	The benefits received under a United States military retirement plan, including survivor benefits, are fully exempt from Maine income tax. Only military retirement pay received as a result of service in the United States Army, Navy, Air Force, Marines, or Coast Guard qualify for the military retirement deduction.
H	Taxpayer can be eligible for a double state tax credit for child care expenses. The double tax credit is available for children who are enrolled in child care programs with "Quality Certificates". Child care programs receive a Quality Certificate when they earn a Step 4 rating on the Quality for ME, Maine's child care rating system. If Quality Certificate information is not entered, the credit will be 25% of the Federal Child Care Credit. If Quality Certificate information is entered, the credit will be 50% of the Federal Child Care Credit.
I	If you are a resident of Maine and have income taxed by another state, you may be eligible for the Credit for Income Tax Paid to Other Jurisdictions. For example, you live in Maine and work in Massachusetts.
J	Eligible taxpayers may claim a tax credit equal to 25% of the applicable percentage of adult dependent care expenses paid for adult day care, hospice services and respite care during the taxable year to the extent the expenses are not used to calculate the federal child and dependent care credit.
K	The <b>Property Tax Fairness Credit</b> is a refundable credit up to \$600 (\$900 if you are 65 years of age or older) if you meet all of the following: <ul style="list-style-type: none"> <li>You were a Maine resident during any part of the tax year;</li> <li>You owned or rented a home in Maine during any part of the tax year and lived in that home as your principal residence during the year;</li> </ul> Property Tax Fairness Credit maximum income limitation: \$33,333 single; \$43,333 head of household, married filing jointly or qualifying widow(er) and you are claiming no more than two personal exemptions; or, \$53,333 head of household, married filing jointly or qualifying widow(er) and you are claiming more than two personal exemptions. Married taxpayers filing separate tax returns do not qualify for the Credit.
	The <b>Sales Tax Fairness Credit</b> is a refundable credit up to \$225, depending on the number of personal exemptions you claim and if you were a Maine resident during any part of the tax year. Sales Tax Fairness Credit maximum income limitation: \$31,050 single; \$40,600 head of household, \$51,100 married filing jointly or qualifying widow(er) and you are claiming no more than two personal exemptions; or, \$53,333 head of household, married filing jointly or qualifying widow(er) and you are claiming more than two personal exemptions. Married taxpayers filing separate tax returns do not qualify for the Credit.
P	There is no apparent way to enter Social Security Disability Income if the T/P is filing a Federal Return in addition to filing for Maine Property
R	Tax Fairness Credit (PTFC) and Sales Tax Fairness Credit (STFC).
O	Taxslayer does <b>NOT</b> handle <b>Maine Education Credit</b> . It is only available to residents and part year residents. Graduates of accredited colleges and
B	universities who have obtained a bachelor's degree in science, technology, engineering or mathematics or an associate degree may qualify for a
L	refundable credit based on certain loan payments made in 2017. The Educational Credit has potentially significant impact on the T/P's Maine State
E	taxes for the current and future years. If TP is eligible, it may be well worth filing a paper return to take advantage of the credit.
M	
S	