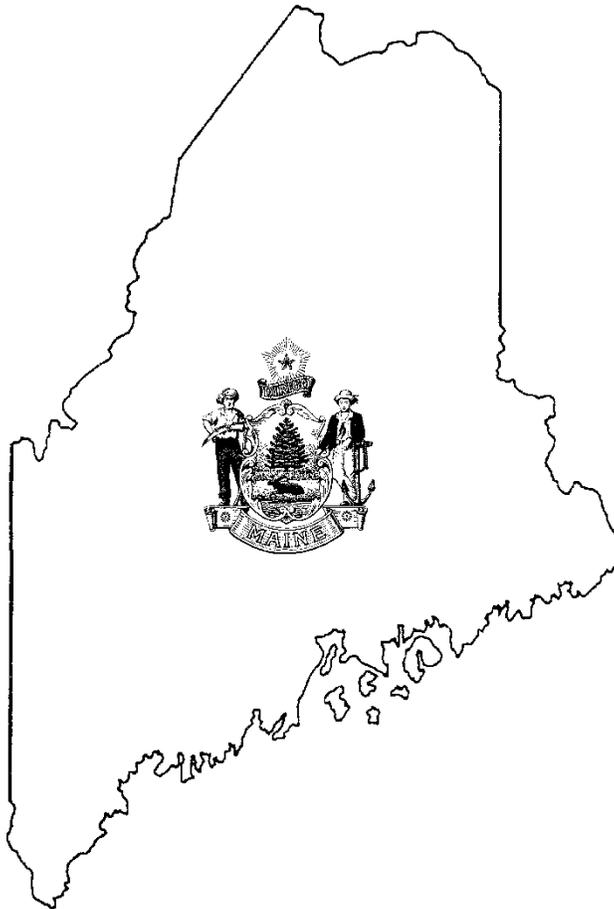


# INDIVIDUAL INCOME TAX

## Schedule NR Worksheet A Worksheet B

for Part-year Residents/Nonresidents/Safe Harbor Residents



# GUIDANCE DOCUMENT

Maine Revenue Services, Income/Estate Tax Division

Last Revised: December, 2015

**SCHEDULE NR**  
**PART-YEAR RESIDENTS, NONRESIDENTS and “SAFE HARBOR RESIDENTS” ONLY**

If you are a **part-year resident** of Maine and received income during that part of the year you were a resident of Maine, or, during any period of nonresidency, had income from Maine sources resulting in a Maine income tax liability, you must file Maine Form 1040ME.

**Exceptions**

- ① A nonresident individual working in Maine as an employee is not required to pay a Maine tax or file a Maine return on income from personal services unless that individual works in Maine for more than 12 days or, having worked in Maine for more than 12 days, earns or derives income from all Maine sources totaling more than \$3,000. Up to 24 days performing certain personal services, such as training and site inspections, are not counted against the 12-day threshold. Also, generally, a nonresident individual present in Maine for business for no more than 12 days and earning no more than \$3,000 from business activity in Maine is not required to pay a Maine tax or file a Maine return on that income.
- ① Income earned by a nonresident employee of a political subdivision of an adjoining state performing services in Maine in accordance with an interlocal agreement under 30-A ~~MRSAM.R.S.~~, Chapter 115 is not considered Maine-source income, so long as the work performed does not displace a Maine resident employee.
- ① Compensation or income directly related to a declared state disaster or emergency is exempt from Maine tax if the taxpayer’s only presence in Maine during the tax year is for the sole purpose of providing disaster relief.

See 36 M.R.S. §§ 5142(8-B) and 5142(9) and Rule 806.

*For more information regarding residency status, please refer to the “**Guidance to Residency Status**” brochure and the “**Guidance to Residency Safe Harbors**” brochure at [www.maine.gov/revenue/incomeestate/guidance](http://www.maine.gov/revenue/incomeestate/guidance).*

Part-year residents, nonresidents and “safe harbor” residents who receive income from outside Maine during the period of nonresidence may be able to claim a nonresident credit. This credit is calculated on Schedule NR using Worksheet A, Worksheet B and, if necessary, Worksheet C. Full year residents of Maine may not claim a nonresident credit and should not complete Schedule NR. Do not file Schedule NR if all your income is taxable by Maine.

**Part-year residents, nonresidents and “safe harbor” residents must include a complete copy of their federal return (including all schedules and worksheets) with the Maine return, even if they are not eligible to claim a nonresident credit.**

Part-year residents, nonresidents and “safe harbor” residents must file a Maine return using the same filing status as properly used on the federal return and must complete **Form 1040ME and Schedule NR**. However, do not use Schedule NR if all your income is taxable to Maine. If one spouse is a full-year Maine resident and the other spouse is not, and a joint federal return was filed, you have two options:

- 1) You can choose to file a joint Maine return as if both were full-year Maine residents, in which case, you may qualify for the Credit for Income Tax Paid to Other Jurisdictions; **OR**

- 2) Each can file a Maine return as a single individual using Form 1040ME with **Schedule NRH**. For more information, see Form 1040ME, Schedule NRH. Each return must show the proper residency status. **You may choose this option only if you filed a joint federal return.**

If the nonresident, or “safe harbor” resident spouse has no Maine-source income, that spouse does not have to file a Maine Return.

If one spouse is a full-year Maine resident and the other spouse is a nonresident, the Maine resident spouse must file as a single individual using Schedule NRH. See page 5 of the Instructional Pamphlet for Schedule NRH at [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) for additional instructions.

If both spouses are nonresidents or “safe harbor” residents, and a joint federal return was filed, but only one spouse has Maine-source income, you have two options:

- 1) You can choose to file a joint Maine return and determine your joint tax liability as nonresidents using Form 1040ME with **Schedule NR; OR**
- 2) The spouse who has Maine-source income can choose to file a return as a single individual using Form 1040ME with **Schedule NRH**. For more information, see Form 1040ME, Schedule NRH.

**Maine taxable income is equal to federal adjusted gross income adjusted by Maine modifications, exemptions and deductions.** Your tax is first calculated as if you were a resident of Maine for the entire year. Part-year residents, nonresidents and “safe harbor” residents must then claim a nonresident credit calculated on **Schedule NR** using **Worksheets A and B**, and if necessary, **Worksheet C** based on the income that was earned outside Maine while a nonresident of Maine. **NOTE:** Nonresident or “safe harbor” resident servicemembers, see below for special instructions.

❶ *Do not begin the Maine return with only the income earned in Maine.*

❶ *Unless specifically instructed, do not subtract the income earned outside Maine as a negative income modification on Maine Schedule 1.*

Schedule NR is designed to separate a part-year resident’s, nonresident’s or “safe harbor” resident’s income between Maine source income and non-Maine source income.

**Maine-source income includes the following:**

- 1) All income received while a resident of Maine;
- 2) Salaries and wages earned working in Maine, including any taxable benefits related to those earnings, such as annual and sick leave unless otherwise excepted. See Exceptions above. See 36 M.R.S. §§ 5142(8-B) and 5142(9) and Rule 806;
- 3) Income derived from or connected with the carrying on of a trade or business within Maine (including distributive share of income (loss) from partnerships and S corporations operating in Maine) unless otherwise excepted. See Exceptions above.. See 36 M.R.S. §§ 5142(8-B) and 5142(9) and Rule 806;
- 4) Shares of trust and estate income derived from Maine sources;

- 5) Income (loss) attributed to the ownership or disposition of real or tangible personal property in Maine;
- 6) Maine-source gain (or loss) from sale of a partnership interest. **NOTE:** To determine the gain or loss from the sale of a partnership interest attributable to Maine, divide the original cost of all tangible property of the partnership located in Maine by tangible property everywhere. Tangible property includes real estate, inventory and equipment. If you don't know these amounts, contact the partnership. If more than 50% of the partnership's assets consist of intangibles, the gain (or loss) is allocated to Maine based on the sales factor of the partnership. Divide the sales in Maine for the last full tax year of the partnership preceding the year of sale by the total sales for that same year. Multiply the result by the gain or loss on the sale of the partnership interest reported on your federal return. "Sales" for purposes of computing the sales factor are defined in Rule No. 801.06. *Include the gain (or loss) from the sales of a partnership interest on Worksheet B, Column E, line 6;* and
- 7) Maine State Lottery or Tri-State Lottery winnings from tickets purchased within Maine, including payments received from third parties for the transfer of rights to future proceeds related to Maine State Lottery or Tri-state Lotto tickets purchased in Maine, plus all other income from gambling activity conducted in Maine on or after June 29, 2005.

Except for Item #6 above, income from intangible sources, such as interest, dividends, annuities, most pensions and gains or losses attributable to intangible personal property, received by a nonresident of Maine is not Maine-source income unless it is attributable to a business, trade, profession or occupation carried on in Maine.

A part-year resident is subject to Maine income tax on all income derived while a resident of Maine, even if the income is received from out-of-state sources, plus any income derived from Maine sources during the period of nonresidence.

Form 1040ME, Worksheets A and B, available at [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms), must be completed prior to completing Schedule NR. Follow the step-by-step instructions for completing Schedule NR available at [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms).

**Form 1040ME, Schedule NR, line 1.** (Nonresident and "Safe Harbor" resident servicemembers, see below for special instructions.) After you complete the Maine return through line 24 based on your total federal adjusted gross income, complete Schedule NR to calculate the amount of your nonresident credit. To complete Schedule NR, line 1:

- 1) Enter your total federal income in Box A (*from Worksheet B, column A, line 15*).
- 2) Enter all Maine source income in Box B, including any income earned in Maine while a nonresident or "safe harbor" resident of Maine (*Worksheet B, column B, line 15 plus Worksheet B, column E, line 15*).
- 3) Enter all non-Maine source income in Box C (*Worksheet B, column D, line 15 minus Worksheet B, column E, line 15*). If you included a taxable state income tax refund on your federal return, do not include that refund when completing Worksheet B or Schedule NR.

**Form 1040ME, Schedule NR, line 2.** If the ratio of non-Maine income to total income calculated on Schedule NR, line 2, is less than 0%, enter 0.0000. If the ratio is 100% or greater, enter the ratio like this: **1.0000**. You may not claim a negative nonresident credit or a nonresident credit that is more than your tax liability otherwise due to Maine. You should always extend the percentage calculations four digits beyond the decimal point; for example, 5.00% (.0500), 25.25% (.2525) or 100.00% (1.0000).

**Form 1040ME, Schedule NR, line 3.** To complete Schedule NR, line 3, Federal Income Adjustments, multiply the amount of federal income adjustments listed on federal Form 1040, line 36 or federal Form 1040A, line 20, by the percentage calculated on Schedule NR, line 2.

**Form 1040ME, Schedule NR, line 5.** (Nonresident and “Safe Harbor” resident servicemembers, see below for special instructions.) If you have completed Form 1040ME, Schedule 1, Income Modifications, you must complete Schedule NR, line 5. Enter the amount of income modifications from **non-Maine sources** on Schedule NR, lines 5a and 5b as they apply. Generally, for a part-year resident, the amount of the non-Maine source income modification that is from intangible sources (interest, dividends, annuities, etc.) is calculated by multiplying the income by the percentage of the year you were a nonresident. For example, if you were a nonresident for 9 months of the year, you would enter on Schedule NR, lines 5a and 5b as applicable, 75% (9 months divided by 12 months) of the income modifications reported on Maine Schedule 1.

- ① Do not include taxable refunds of state and local taxes.
- ① Prorate the pension deduction (Form 1040ME, Schedule 1, line 2d) and the subtraction for premiums for Long-Term Care Insurance (Form 1040ME, Schedule 1, line 2f) based on the percentage of qualified pension income received or premiums paid as a nonresident.

**Form 1040ME, Schedule NR, line 9.** After completing Schedule NR, any nonresident credit on line 9 is entered on Form 1040ME, line 23. This credit will reduce your Maine taxes for income not taxable to Maine.

- ① If you are a nonresident of Maine, and your only income from Maine sources are losses, you do not need to file an income tax return with Maine, because you have no Maine income tax liability. However, you may choose to file a return with Maine if you expect to have positive income from Maine sources in future years and want to avoid having gaps in your filing history.
- ① You may not use Maine losses in a prior year to offset Maine income in the current year, unless those losses also appear on the federal return for the current year or the loss relates to NOLs disallowed in 2009 - 2011 or to a federal NOL carryback disallowed for Maine income tax purposes. (Federal NOL carrybacks with respect to NOLs realized in tax years beginning after 2001 are not allowed for Maine purposes. The disallowed NOL carryback may be recovered in the allowable carryover period.)
- ① For additional information on determining what types of income are subject to Maine tax when received by a nonresident, see **Rule 806** available at [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms).

Attached is a sample return for a part-year resident. The instructions in the Form 1040ME booklet and this pamphlet are used to complete a Maine return for the Jellisons based on the information below:

*Jim and Jennifer Jellison are from New York. They have a six-year-old daughter named Jessica. Jim works as an analyst for a large bank. Effective August 1, 2015, Jim was transferred to Maine while working for the same employer. Jim and his family moved to Maine and became residents of*

*Maine on August 1, 2015. After coming to Maine, Jennifer was able to find a job as a supervisor in a local production facility.*

*In 2015, Jim earned a total of \$57,895 in wages from the bank. He earned \$35,895 in New York and \$22,000 in Maine. Jennifer earned \$25,000 from her job in Maine. From Jim's pay, \$2,050 was withheld for New York income taxes and \$1,250 was withheld for Maine income tax. Jennifer had \$1,250 withheld from her pay for Maine. The Jellisons had \$600 in interest income throughout the year, \$300 of which came from U.S. Government bonds.*

*The Jellisons filed a married joint federal income tax return for 2015 and reported federal adjusted gross income of \$81,495. They contributed \$2,000 to their IRA for the tax year and had total federal itemized deductions of \$14,525, which included state income taxes of \$4,550.*



2015

MAINE INDIVIDUAL INCOME TAX FORM 1040ME



99

For tax period 1/1/2015 to 12/31/2015 or See instructions. Print neatly in blue or black ink only.

2015 to

\*1502100\*

J i m Your First Name MI

J e l l i s o n Your Last Name

J e n n i f e r Spouse's First Name MI

J e l l i s o n Spouse's Last Name

1 2 3 A B C D r i v e Current Mailing Address (PO Box, number, street and apt. no)

A u g u s t a M E 0 4 3 3 0 City or Town State ZIP Code

Foreign country name Foreign province/state/county Foreign postal code

NOTE: If either spouse is deceased, enter the date of death on Form 1040ME, page 3 in the spaces provided above the signature area.

Check here if this is an AMENDED return.

0 0 0 0 0 1 2 3 4 Your Social Security Number

0 0 0 0 0 4 3 2 1 Spouse's Social Security Number

Home Phone Number

Work Phone Number

A Maine Property Tax Fairness Credit - Maine residents and part-year residents only - see Schedule PTFC. Check this box if you are filing a return only to claim the Property Tax Fairness Credit on line 25d. Otherwise, leave this box blank. Follow the instructions on Schedule PTFC.

1 Maine Clean Election Fund. Maine Residents Only. Check here if you, or your spouse, if filing jointly, want \$3 to go to this fund. X You X Spouse

2 Check here if you were engaged in COMMERCIAL FARMING OR FISHING during 2015.....

3 FILING STATUS (Check one) Single
4 X Married filing jointly (Even if only one had income)
5 Married filing separately. Enter spouse's social security number and full name above.
6 Head of household (with qualifying person)
7 Qualifying widow(er) with dependent child (Year spouse died )
Composite Return (Pass-through Entities ONLY)

8 RESIDENCY STATUS (Check one) Resident
8a "Safe Harbor" Resident
9 X Part-Year Resident
10 Nonresident
11 Nonresident Alien
Check here if you are filing Schedule NRH

12 CHECK IF: You were Spouse was
65 or over..... 12a
Blind..... 12b
13 Enter the TOTAL number of EXEMPTIONS claimed on your federal return....13 3

Table with 3 columns: Line number, Description, Amount. Rows include FEDERAL ADJUSTED GROSS INCOME (81495.00), INCOME MODIFICATIONS (-300.00), MAINE ADJUSTED GROSS INCOME (81195.00), DEDUCTION (12600.00), and EXEMPTION (12000.00).

Continue on page 2



\*1502101\*

Calculate Your Tax and Credits

19	<b>TAXABLE INCOME.</b> (Line 16 minus lines 17 and 18.).....	19	5 6 5 9 5	.00
20	<b>INCOME TAX.</b> (Find the tax for the amount on line 19 in the tax table in this booklet or compute your tax using the tax table or tax rate schedules available at <a href="http://www.maine.gov/revenue/forms">www.maine.gov/revenue/forms</a> .....)	20	3 2 1 0	.00
20a	<b>TAX CREDIT RECAPTURE AMOUNTS</b> (Enclose worksheet(s) - see instructions).	20a		.00
21	<b>TOTAL TAX.</b> (Line 20 plus line 20a) .....	21	3 2 1 0	.00
22	<b>TAX CREDITS.</b> (From Maine Schedule A, line 23.) .....	22		.00
23	<b>NONRESIDENT CREDIT. (For part-year residents, nonresidents and "Safe Harbor" residents only.)</b> From Schedule NR, line 9 or NRH, line 11 .....	23	1 3 9 2	.00
24	<b>NET TAX.</b> (Subtract lines 22 and 23 from line 21.) (Nonresidents see instructions.)..	24	1 8 1 8	.00

Tax Payments/Refundable Credits

25	<b>TAX PAYMENTS.</b>			
a	Maine income tax withheld. (Enclose W-2, 1099 and 1099ME forms.).....	25a	2 5 0 0	.00
b	2015 estimated tax payments and 2014 credit carried forward, extension payments and payments with original return. (Include any <b>REAL ESTATE WITHHOLDING</b> tax payments.) .....	25b		.00
c	REFUNDABLE TAX CREDITS (from Maine Schedule A, line 5) .....	25c		.00
d	Property Tax Fairness Credit ( <b>Schedule PTFC, line 13</b> ). (See instructions.)... (For Maine Residents and Part-year Residents Only)	25d		.00
e	<b>TOTAL.</b> (Add lines 25a, b, c and d.) .....	25e	2 5 0 0	.00

26	If this is an amended return, enter overpayment, if any, on original or as previously adjusted.....	26		.00
27	Line 25e minus line 26. (If negative, enter a minus sign in the box to the left of the number.) .....	27	2 5 0 0	.00
28	<b>INCOME TAX OVERPAID.</b> If line 27 is larger than line 24, enter amount overpaid (Line 27 minus line 24.) .....	28	6 8 2	.00
29	<b>INCOME TAX UNDERPAID.</b> If line 24 is larger than line 27, enter amount underpaid (Line 24 minus line 27.) (See instructions if line 27 is negative.) .....	29		.00

Calculate Use Tax / Voluntary Contributions / Refund Due

30	<b>USE TAX (SALES TAX).</b> (See instructions.).....	30		.00
30a	<b>SALES TAX ON CASUAL RENTALS OF LIVING QUARTERS.</b> (See instructions.) .....	30a		.00
31	<b>CHARITABLE CONTRIBUTIONS and PARK PASSES.</b> (From Maine Schedule CP, line 10.)	31		.00
32	<b>NET OVERPAYMENT.</b> (Line 28 minus lines 30, 30a and 31.) – NOTE: If total of lines 30, 30a and 31 is greater than line 28, enter as amount due on line 34a below.	32	6 8 2	.00
33	Amount to be <b>CREDITED</b> to 2016 estimated tax ... 33a	33a		.00
	<b>REFUND</b> .....	33b	6 8 2	.00

IF YOU WOULD LIKE YOUR REFUND SENT DIRECTLY TO YOUR BANK ACCOUNT (\$10,000 or less) OR TO A NEXTGEN COLLEGE INVESTING PLAN® ACCOUNT, see the instructions on page 3 and fill in the lines below.

Check here if this refund will go to an account outside the United States. ....

33c Routing Number\* [ ]

33d Account Number\* [ ]

\*For NextGen Accounts, enter 084301767 on line 33c and the 8-digit NextGen Account Number on line 33d (do not enter hyphens).

33e Type of Account:  Checking  Savings  NextGen®

Name(s) as shown on Form 1040ME  
 Jim & Jennifer Jellison

0 0 0 0 0 1 2 3 4

**SCHEDULE 1 — INCOME MODIFICATIONS - For Form 1040ME, line 15**

**1 ADDITIONS to federal adjusted gross income.**

a	Income from municipal and state bonds, other than Maine.....	1a		.00
b	Net Operating Loss Recovery Adjustment (Attach a schedule showing your calculation) ....	1b		.00
c	Maine Public Employees Retirement System Contributions .....	1c		.00
d	Domestic Production Activities Deduction Add-back (See instructions) .....	1d		.00
e	RESERVED (See instructions).....	1e		.00
f	RESERVED (See instructions).....	1f		.00
g	Fiduciary Adjustment - additions only (Attach a copy of your federal Schedule K-1).....	1g		.00
h	Other. (See instructions) (Attach worksheet(s)) .....	1h		.00
i	Total Additions (Add lines 1a through 1h).....	1i		.00

**2 SUBTRACTIONS from federal adjusted gross income.**

a	U.S. Government Bond interest included in federal adjusted gross income (See instructions) ..	2a		.00
b	State Income Tax Refund (Only if included in federal adjusted gross income) .....	2b	3 0 0	.00
c	Social Security and Railroad Retirement Benefits included in federal adjusted gross income (See instructions).....	2c		.00
d	Pension Income Deduction (Complete and attach the worksheet on back).....	2d		.00
e	Interest from Maine Municipal General Obligation, Private Activity and Airport Authority Bonds included in federal adjusted gross income (See instructions).....	2e		.00
f	Premiums for Long-Term Care Insurance (Do not include health insurance premiums on this line) <b>NOTE:</b> If you itemize deductions or are self-employed, complete and attach the worksheet on back ....	2f		.00
g	Maine Public Employees Retirement System Pick-Up Contributions paid to the taxpayer during 2015 which have been previously taxed by the state .....	2g		.00
h	Contributions to Qualified Tuition Programs - 529 Plans (Limited to \$250 per beneficiary. See instructions) .....	2h		.00
i	Fiduciary Adjustment - subtractions only (Attach a copy of your federal Schedule K-1).....	2i		.00
j	Bonus Depreciation and Section 179 Recapture (See instructions) .....	2j		.00
k	Other. (See instructions) (Attach worksheet(s)) .....	2k		.00
l	<b>(Do not enter non-Maine source income on line 2k)</b> Total Subtractions (Add lines 2a through 2k).....	2l	3 0 0	.00

**3 Net Modification** (Subtract line 2l from line 1i — enter here and on 1040ME, page 1, line 15)  
**(If negative, enter a minus sign in the box to the left of the number)** .....

- 3 0 0 .00

Name(s) as shown on Form 1040ME: **Jim & Jennifer Jellison**

Your Social Security Number: **0 0 0 0 0 1 2 3 4**

<b>1</b>	Total itemized deductions from federal Form 1040, Schedule A, line 29.....	<b>1</b>	<b>1 4 5 2 5</b>	<b>.00</b>
<b>2 a</b>	Income taxes imposed by this state or any other taxing jurisdiction or general sales taxes included in line 1 above from federal Form 1040, Schedule A, line 5 .....	<b>2a</b>	<b>4 5 5 0</b>	<b>.00</b>
	Complete the worksheet below if Form 1040ME, line 14 exceeds \$309,900 if married filing jointly, \$284,050 if head-of-household, \$258,250 if single or \$154,950 if married filing separately.			
<b>b</b>	Deductible costs, included in line 1 above, incurred in the production of Maine exempt income .....	<b>2b</b>		<b>.00</b>
<b>c</b>	Amounts included in line 1 that are also being claimed for the Family Development Account Credit on Maine Schedule A, line 20 .....	<b>2c</b>		<b>.00</b>
<b>d</b>	Amount included in line 1 attributable to income from an ownership interest in a pass-through entity financial institution .....	<b>2d</b>		<b>.00</b>
<b>e</b>	Medical and dental expenses included in line 1 above from federal Form 1040, Schedule A, line 4.....	<b>2e</b>		<b>.00</b>
<b>3</b>	Deductible costs of producing income exempt from federal income tax, but taxable by Maine.....	<b>3</b>		<b>.00</b>
<b>4</b>	Line 1 minus lines 2a, b, c, d and e plus line 3.....	<b>4</b>	<b>9 9 7 5</b>	<b>.00</b>
<b>5</b>	Maximum allowable itemized deduction.....	<b>5</b>	<b>2 8,3 5 0</b>	<b>.00</b>
<b>6</b>	Enter the smaller of line 4 or line 5.....	<b>6</b>		<b>.00</b>
<b>7</b>	Add lines 2e and line 6. Enter the result here and on Form 1040ME, line 17 .....	<b>7</b>	<b>9 9 7 5</b>	<b>.00</b>

**\*NOTE:** If the amount on line 7 above is *less* than your allowable standard deduction, use the standard deduction.  
If Married Filing Separately, however, both spouses must either itemize or use the standard deduction.

**2015 Worksheet for Maine Schedule 2, line 2a**

For individuals whose federal adjusted gross income exceeds \$309,900 if married filing jointly or qualifying widow(er), \$284,050 if head-of-household, \$258,250 if single or \$154,950 if married filing separately.

<b>1</b>	Enter total state and local income taxes or sales taxes (from federal Schedule A, line 5) .....	<b>1</b>	\$	
<b>2</b>	Enter federal itemized deductions subject to reduction (from federal itemized deductions worksheet, line 3) .....	<b>2</b>	\$	
<b>3</b>	Divide line 1 by line 2. Calculate to four decimals. Enter result here. ....	<b>3</b>	.	
<b>4</b>	Enter federal itemized deductions disallowed (from federal itemized deductions worksheet, line 9).....	<b>4</b>	\$	
<b>5</b>	Multiply line 4 by line 3. Enter result here.....	<b>5</b>	\$	
<b>6</b>	Subtract line 5 from line 1. Enter result here and on Schedule 2, line 2a .....	<b>6</b>	\$	

**Schedule 2 - Itemized Deductions Instructions**

**Line 1.** Total Itemized Deductions from federal Form 1040. Enter your total itemized deductions as shown on federal Schedule A, line 29.

**Line 2a.** Income Taxes Imposed by this State or any other taxing Jurisdiction or General Sales Taxes included in Line 1. Enter the total of state and local income taxes or sales taxes included in line 1.

**Line 2b.** Deductible costs, included in Line 1, incurred in the production of Maine exempt income. Enter any interest or other expense items attributable to income not taxable under Maine law.

**Line 3.** Deductible costs of producing income exempt from federal income tax but taxable by Maine. Enter any interest or other expense items attributable to income taxable under Maine law, but exempt from federal income tax. Enter only amounts not included on line 1.

## WORKSHEET A - Residency Information Worksheet for Part-year Residents/Nonresidents/"Safe Harbor" Residents

Enclose with your Form 1040ME

The following individuals must complete Worksheet A: 1) All part-year residents whether moving into or out of Maine during the tax year; 2) nonresidents and "Safe Harbor" residents who are filing a Maine return for the first time, and 3) former Maine residents who are filing as nonresidents or "Safe Harbor" residents for the first time. **Failure to enclose a completed Worksheet A with your 1040ME may delay processing of your return.**

	Yourself	Spouse
1. NAME.....	1. <u>Jim</u>	<u>Jennifer</u>
a. Social security number.....	1a. <u>000-00-1234</u>	<u>000-00-4321</u>
b. Date of birth.....	1b. <u>01/30/1964</u>	<u>02/05/1965</u>
c. Occupation.....	1c. <u>Taxpayer</u>	<u>Taxpayer</u>
<b>During 2015: Unless otherwise indicated, enter "Yes" or "No" on each line.</b>		
2. I was domiciled in (Enter state(s)).....	2. <u>NY, ME</u>	<u>NY, ME</u>
3. I was in the military and stationed in (Enter state or country).....	3. _____	_____
a. My designated state of legal residence was (Enter state).....	3a. _____	_____
4. The number of days I spent in Maine (for any purpose) was.....	4. <u>153</u>	<u>153</u>
5. I own(ed) a home/real property in Maine.....	5. <u>Yes</u>	<u>Yes</u>
a. If yes, in what municipality was the property located?.....	5a. _____	_____
b. Did you ever apply for a Homestead or Veterans property tax exemption?.....	5b. _____	_____
c. Have you disposed of the property?.....	5c. _____	_____
If yes, when? (Yourself: _____ Spouse: _____)		
6. I became a Maine resident on (Enter Date).....	6. <u>08/01/2015</u>	<u>08/01/2015</u>
a. Enter state of prior residence.....	6a. _____	_____
b. Registered to vote in Maine.....	6b. _____	_____
If yes, when? (Yourself: _____ Spouse: _____)		
c. Purchased a home in Maine.....	6c. _____	_____
If yes, when? (Yourself: _____ Spouse: _____)		
d. Obtained a driver's license in Maine.....	6d. _____	_____
If yes, when? (Yourself: _____ Spouse: _____)		
e. Registered an auto or other vehicle in Maine.....	6e. _____	_____
If yes, when? (Yourself: _____ Spouse: _____)		
7. I moved from Maine and became a nonresident (I established a legal residence in another state) (Enter date of move).....	7. _____	_____
a. Enter new state of residence.....	7a. _____	_____
b. Registered to vote in my new state of residence.....	7b. _____	_____
If yes, when? (Yourself: _____ Spouse: _____)		
c. Purchased a home in my new state of residence.....	7c. _____	_____
If yes, when? (Yourself: _____ Spouse: _____)		
d. Obtained a driver's license in my new state of residence.....	7d. _____	_____
If yes, when? (Yourself: _____ Spouse: _____)		
e. Registered an auto or other vehicle in my new state of residence.....	7e. _____	_____
If yes, when? (Yourself: _____ Spouse: _____)		
f. If married, did your spouse and dependent children (if any) move to your new state of residence?.....	7f. _____	_____
8. During period of nonresidency, have you:		
a. Performed any work or services in Maine.....	8a. _____	_____
If yes, list employer. (Yourself: _____ Spouse: _____)		
b. Registered an auto or other vehicle in Maine.....	8b. _____	_____
c. Renewed a Maine driver's license.....	8c. _____	_____
d. Voted in Maine, in person or by absentee ballot.....	8d. _____	_____
e. Attended or sent your children (if any) to a Maine school.....	8e. _____	_____
f. Purchased a Maine resident hunting or fishing license.....	8f. _____	_____
g. Listed Maine as your legal residence for any purpose.....	8g. _____	_____
h. Obtained or renewed any Maine trade or professional licenses or union memberships.....	8h. _____	_____
9. If you answered "yes" to question 5 but have not disposed of the property, what use do you intend to make of it and how often (Attach a separate sheet if necessary)?.....		
10. If you answered "no" to question 7(f) please explain the circumstances (Attach a separate sheet if necessary):.....		

Name(s) as shown on Form 1040ME

Jim & Jennifer Jellison

Your Social Security Number

0,0,0 - 0,0 - 1,2,3,4

Attachment  
Sequence No. 13

### WORKSHEET B

#### Income Allocation Worksheet for Part-Year Residents/Nonresidents/"Safe Harbor" Residents

(See instructions at [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms)) - Enclose with your Form 1040ME

Part-year residents, Nonresidents and "Safe Harbor" residents **must** complete this worksheet before completing Schedule NR or Schedule NRH

		Federal Income		Maine Resident Period (Part-year residents only)		Nonresident Period (Part-year residents, Nonresidents and "Safe Harbor" residents)	
		Column A Income from federal return	Column B Income from Column A for this period	Column C* Income from Column B earned outside of Maine	Column D Income from Column A for this period	Column E Income from Column D from Maine sources	
1. Wages, salaries, tips, other compensation**	1	82,895	47,000		35,895		
2. Taxable interest	2	600	250		350		
3. Ordinary dividends	3						
4. Alimony received	4						
5. Business income/loss	5						
6. Capital gain/loss	6						
7. Other gains/losses	7						
8. Taxable amount of IRA distributions	8						
9. Taxable amount of pensions and annuities	9						
10. Rental real estate, royalties, partnerships, S corporations, and trusts, etc	10						
11. Farm income/loss	11						
12. Unemployment Compensation	12						
13. Taxable amount of social security benefits	13						
14. Other income (including lump-sum distributions, but excluding state income tax refunds)	14						
15. Add lines 1 through 14	15	83,495	47,250		36,245		

**\*Part-year residents must make an entry in Column C if income was earned in another jurisdiction during the period of Maine residency.** Enter below the name of each other jurisdiction and the dates the income was earned in those jurisdictions. Use a separate sheet if additional space is needed.

Name of other jurisdiction \_\_\_\_\_ Period (mm/yy) From \_\_\_\_\_ To \_\_\_\_\_

Name of other jurisdiction \_\_\_\_\_ Period (mm/yy) From \_\_\_\_\_ To \_\_\_\_\_

Name of other jurisdiction \_\_\_\_\_ Period (mm/yy) From \_\_\_\_\_ To \_\_\_\_\_

You must attach a copy of the income tax return(s) filed with the other jurisdiction

**\*\*If necessary, use Worksheet C (Employee Apportionment Worksheet) for Part-Year Residents/Nonresidents/"Safe Harbor" Residents to calculate the amount for line 1, Column E.** For a copy of Worksheet C, go to the Maine Revenue Services website at: [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) or call (207) 624-7894 (to order).

**NOTE: See instructions at [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) on how to use Worksheet B, line 15 entries to complete line 1 of Schedule NR or Schedule NRH.**

**SCHEDULE NR**  
**FORM 1040ME**  
**2015**

**SCHEDULE for CALCULATING the NONRESIDENT CREDIT**  
**PART-YEAR RESIDENTS, NONRESIDENTS and**  
**"SAFE HARBOR" RESIDENTS ONLY**

This schedule must be enclosed with your **completed Form 1040ME**.

Attachment Sequence No. 10

If part-year resident, enter dates you were a Maine Resident  
 from \_\_\_\_\_ to \_\_\_\_\_.

Name(s) as shown on Form 1040ME	Your Social Security Number
Jim & Jennifer Jellison	0,0,0, - 0,0, - 1,2,3,4

**WHO MUST FILE SCHEDULE NR?** Part-year resident, nonresident and "Safe Harbor" resident individuals who are required to file a Maine return, but have income not taxable by Maine **and** use the same filing status on the Maine return as used on the federal return. See reverse side for instructions.

**DO NOT FILE SCHEDULE NR IF:** All your income is taxable by Maine **or** if your federal filing status is "Married filing jointly" and you elect to file "Single" on the Maine return (use Schedule NRH available at [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) or by calling 624-7894).

**YOU MUST ENCLOSE A COMPLETE COPY OF YOUR FEDERAL TAX RETURN, including all schedules and worksheets. Enclose copies of W-2 forms from other states or temporary duty (TDY) papers to support your entry in Box C.**

**IMPORTANT: If required, complete Worksheets A and B before completing Schedule NR.**

**1 INCOME — (Complete and attach Worksheets A and B):**

	<b>Box A FEDERAL</b>	<b>Box B MAINE</b>	<b>Box C NON-MAINE</b>
Box A - From Worksheet B, line 15, column A			
Box B - From Worksheet B, line 15, column B plus column E			
Box C - From Worksheet B, line 15, column D minus column E	\$ 83,495	\$ 47,250	\$ 36,245

**2 RATIO OF INCOME:** Divide line 1, Box C by line 1, Box A and enter the result here. Except, if non-Maine source income (line 1, Box C) is negative, enter 0.0000 or if line 1, Box C is positive and Maine source income (line 1, Box B) is negative, enter 1.0000..... .4 3 4 1

**COMPLETE THIS SECTION ONLY IF YOU HAVE FEDERAL INCOME ADJUSTMENTS**

**3 FEDERAL INCOME ADJUSTMENTS — NON-MAINE-SOURCE ONLY:** Multiply amount on federal Form 1040, line 36, or Form 1040A, line 20 by the percentage listed on line 2. Enter result here ..... 868.00

**4 FEDERAL ADJUSTED GROSS INCOME — NON-MAINE-SOURCE ONLY:** Subtract line 3 from Line 1, Box C..... 35,377.00

**COMPLETE THIS SECTION ONLY IF YOU HAVE INCOME MODIFICATIONS (Form 1040ME, line 15)**

**5 INCOME MODIFICATIONS — NON-MAINE-SOURCE ONLY:**

a Additions — Specify _____	_____
b Subtractions — Specify <u>U.S. Gov't Bond Int - (\$300 x .5833)</u>	<u>175.00</u>
c Total Modifications: line 5a minus line 5b (may be a negative amount).....	<u>-175.00</u>

**6 NON-MAINE ADJUSTED GROSS INCOME:** Add or, if negative, subtract line 5c to or from line 4..... 35,202.00

**7 RATIO OF MAINE ADJUSTED GROSS INCOME:** Divide line 6 by the amount from Form 1040ME, line 16 and enter result here. Except, if line 6 is negative, enter 0.0000 or if line 6 is greater than the amount on Form 1040ME, line 16, enter 1.0000..... .4 3 3 5

**8 TAX SUBTOTAL:** Enter from Form 1040ME, line 20 minus Maine Schedule A, lines 6 and 8 ..... 3,210.00

**9 NONRESIDENT CREDIT:** Multiply amount on line 8 by line 7. Enter result here and on Form 1040ME, line 23 ..... 1,392.00

## NONRESIDENT & "SAFE HARBOR" RESIDENT SERVICEMEMBERS:

The Servicemembers Civil Relief Act "SCRA" (Public Law No. 108-189) provisions offset the computation of Maine individual income tax for certain nonresidents (including "Safe Harbor" residents) as follows:

- 1) Section 511(d) of the Act prevents states from including the military compensation of nonresident servicemembers in the total income when computing the applicable rate of tax imposed on other income earned by the nonresident servicemember, or their spouse, that is subject to tax by the state. These changes affect Maine returns beginning on or after January 1, 2003 for some military taxpayers (Maine returns beginning on or after January 1, 2007 for "Safe Harbor" residents.)
- 2) Amendments were made to the SCRA in 2009 to provide that a spouse of a servicemember may retain residency in their home state for voting and tax purposes if the spouse is in Maine solely to be with the servicemember who is in the state due to military orders. Income earned in Maine by a nonresident servicemember's spouse who is domiciled in another state may not be considered Maine-source income. These changes affect Maine tax years beginning on or after January 1, 2009.

Since the 2015 Maine income tax return includes income of the nonresident servicemember, a deduction must be made on the Maine return for a nonresident (or "Safe Harbor" resident) servicemember. To deduct the military income of a nonresident (or "Safe Harbor" resident) servicemember from the Maine taxable income in 2015, use the following instructions:

- 1) Enter the total federal adjusted gross income on Form 1040ME, line 14.
- 2) Complete Form 1040ME, Schedule 1 and the Worksheet for Form 1040ME, Schedule 1, Line 2k (line 3). Include the amount of military compensation of the nonresident servicemember on Form 1040ME, **Schedule 1, line 2k, 'Other'**.
- 3) Complete Form 1040ME, lines 15 through 22.
- 4) Complete Form 1040ME, Worksheet A (if applicable) and Worksheet B for Part-Year Residents/Nonresidents/"Safe Harbor" Residents. **NOTE:** When completing Worksheet B, include the military compensation received by the nonresident ("Safe Harbor" resident) servicemember and the Maine earned income of the servicemember's spouse on *line 1, columns A and D*. This procedure will ensure the proper determination of non-Maine-source income.
- 5) Complete Form 1040ME, Schedule NR or Schedule NRH (whichever is applicable).

**NOTE:** The military income of a nonresident ("Safe Harbor" resident) servicemember should be included on both *line 1, boxes A and C* and *line 5b* of **Schedule NR**. On line 5b, write "NR military compensation" in the space provided.

The Maine earned income of the servicemember's spouse should be included on *line 1, boxes A and C* of **Schedule NR**.

The military income of a nonresident servicemember filing **Schedule NRH** should be included on both *line 1* and *line 5b, columns A, B and C* of Schedule NRH. On line 5b, write “NR military compensation” in the space provided.

The Maine earned income of the nonresident servicemember’s spouse filing **Schedule NRH** should be included on *line 1, columns A, B and C* of Schedule NRH.

This procedure will ensure the proper ratio for the determination of the non-resident credit.

*If you are completing Schedule NRH, see the Guidance Document titled “Instructional Pamphlet for Individual Income Tax, Schedule NRH” for more information.*

6) Complete Form 1040ME, lines 23 through 34.

A “servicemember” is defined as a member of the Army, Navy, Air Force, Marine Corps, Coast Guard, a commissioned officer of the Public Health Service or the National Oceanic and Atmospheric Administration. It also includes a member of the National Guard who is under a call to active service authorized by the President or the Secretary of Defense for a period of more than 30 consecutive days for purposes of responding to a national emergency declared by the President and supported by Federal funds.

Any further questions about the computation of Maine individual income tax for certain nonresidents should be directed to the Income/Estate Tax Division of Maine Revenue Services at: [income.tax@maine.gov](mailto:income.tax@maine.gov) or call 207-626-8475.