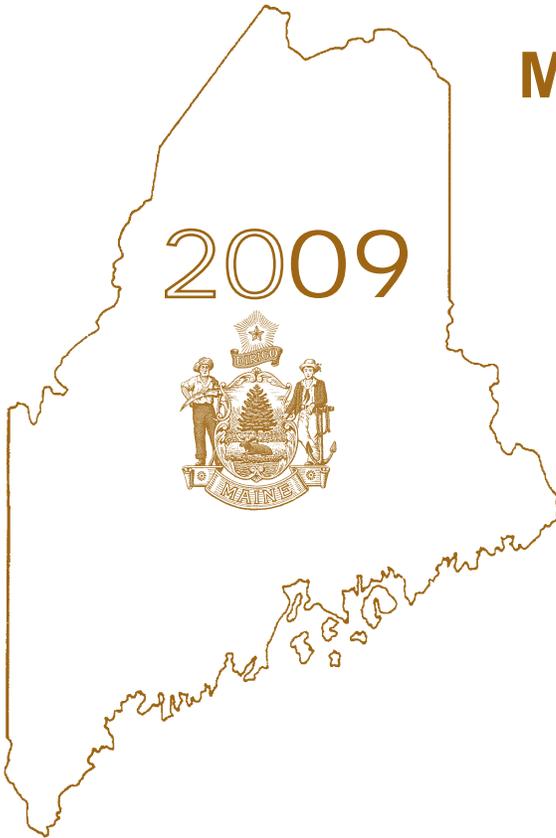


# Maine Revenue Services

## Maine Income Tax Withholding for Pass-through Entities

### Form 941P-ME



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Electronic Filing

Electronic Payments



[www.maine.gov/revenue](http://www.maine.gov/revenue)

Use this booklet to report nonresident member withholding for pass-through entities. For more information regarding withholding for nonresident members of pass-through entities, go to the MRS web site at: [www.maine.gov/revenue/incomeestate](http://www.maine.gov/revenue/incomeestate).

### Electronic Filing and Payment Requirements

**Rule 102 Revised.** Maine Revenue Services recently completed revisions to Rule 102, "Electronic Funds Transfer." The updated rule, which may be viewed on the MRS web site at [www.maine.gov/revenue/rules](http://www.maine.gov/revenue/rules), includes changes to EFT thresholds and various other changes. Revised EFT thresholds are based on the taxpayer's combined tax liability to the state for all taxes collected by the Bureau, except property taxes and commercial forestry excise taxes. Beginning January 1, 2009, taxpayers having a total combined tax liability of \$50,000 or more during lookback periods ending in 2008 are required to remit all payments to MRS electronically. For years after 2009, the threshold is \$25,000. Maine Revenue Services has several electronic payment options for your convenience.

**Rule 104 Revised.** Maine Revenue Services recently revised Rule 104, "Electronic Filing of Maine Tax Returns." The updated rule, available at [www.maine.gov/revenue/rules](http://www.maine.gov/revenue/rules), requires electronic filing (E-file, I-file, etc) of all original Maine tax returns of quarterly and annual reconciliation for Maine income tax withholding for 2009 if the following thresholds are met or exceeded with respect to employers, third party filers, payroll processors, and non-wage payers:

- **First calendar quarter 2009:** 50 or more employees/clients/payees that are subject to Maine income tax withholding;
- **Second, third, and fourth calendar quarters 2009:** 10 or more employees/clients/payees that are subject to Maine income tax withholding;
- **2010:** 5 or more employees/clients/payees that are subject to Maine income tax withholding.

For questions on filing income tax withholding returns electronically, call 626-8475, press 1, option 4 or e-mail [withholding.tax@maine.gov](mailto:withholding.tax@maine.gov).

### MISSION STATEMENT

The mission of Maine Revenue Services is to serve the citizens of Maine by administering the tax laws of the State effectively and professionally in order to provide the revenues necessary to support Maine government. To accomplish this mission, we will:

- Foster voluntary compliance with the tax laws by providing clear, complete, accurate, and timely guidance to taxpayers to help them understand and meet their responsibilities under the law.
- Maintain the highest standards of integrity, fairness, confidentiality and courtesy in everything we do.

## MAINE REVENUE SERVICES PRIVACY POLICY

Maine Revenue Services (“MRS”) maintains the highest standards in handling personally identifiable taxpayer information. Taxpayers have the right to know what information is kept on file about them, to have reasonable access to it, and to receive a copy of their file. Under penalty of law, employees and agents of MRS are prohibited from willfully inspecting information contained on any tax return for any purpose other than the conduct of official duties. In addition, MRS employees and agents are prohibited from disclosing tax information to anyone other than the taxpayer except in a limited number of very specific circumstances. No unassociated third parties may receive information pertaining to tax returns without written permission from the affected taxpayer except as allowed under 36 M.R.S.A. § 191. Communications that do not meet the definition of tax information are subject to the general confidentiality and public inspection provisions of Maine’s “Freedom of Access” laws. When confidential taxpayer information is stored by MRS, it is kept in a secure location where it is accessible only to authorized employees and agents of MRS. If you have any questions regarding the Privacy Policy, please contact MRS at (207) 626-8475.

### PAYROLL PROCESSORS

#### Dos and Don’ts for Clients of Payroll Processors in Maine:

Using the services of a payroll processor can be a convenient and economical way for an employer or non-wage filer to file and pay withholding taxes. However, employers or non-wage filers face certain risks associated with the use of a processor, including possible lack of compliance and the risk of loss of funds that are under the control of the processor. Ultimately, it is the employer or non-wage filer who bears the responsibility for meeting its payroll tax obligations. **If you are an employer or non-wage filer that uses the services of a payroll processor, you should take the following precautions:**

- ✓ Educate yourself to understand your filing requirements and the risks associated with using a payroll processor.
- ✓ Verify with the Bureau of Consumer Credit Protection, (207) 624-8527 or [www.credit.maine.gov](http://www.credit.maine.gov), that the processor is licensed and has provided proof of liability insurance to protect client funds, including coverage for crimes such as fraud and theft. If the processor has access to your company’s funds, verify with the state that the company has also posted a surety bond or letter of credit, or is enrolled in the state’s Payroll Processor Recovery Fund.
- ✓ Obtain verification from the payroll processor and its insurer that the processor’s liability insurance will remain in effect for a specified period of time.
- ✓ Read your contract with your processor carefully.
- ✓ Ensure that the agreement/contract and any power of attorney that your processor has with you specifically requires that all notices sent by the IRS and State tax agencies be sent directly to you.
- ✓ Never hesitate to contact tax authorities or the Bureau of Consumer Credit Protection directly when you feel it necessary.
- ✓ Check with the appropriate tax agency periodically to ensure that returns and payments are filed in a timely manner.
- ✓ Insist on verification from your processor that any problem for which the employer has received a tax agency notice has been resolved.
- ✓ Never assume that everything is fine solely because you have not received notice of any problems from the IRS or MRS.
- ✓ Never sign a tax return before it is completed.
- ✓ Require that the processor provide copies of returns, not just summaries, at the time of filing.
- ✓ If you are using a nationwide payroll service, be sure you are assigned a direct contact person and telephone number.

A payroll processor is an entity that performs the following services for one or more employers or non-wage filers: prepares and issues payroll checks, prepares and files state income tax withholding reports or unemployment insurance contribution reports, or collects, holds and turns over to the State Tax Assessor income tax withholding or unemployment insurance contributions. By January 31st of each year, all payroll processing companies must obtain a license from the Maine Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection ([www.credit.maine.gov](http://www.credit.maine.gov)).

All payroll processors must provide proof of liability insurance equal to twice the highest weekly payroll processed by the business in the preceding year or \$5,000,000, whichever is less. For liability insurance coverage, the processor may choose from a fidelity bond, employee dishonesty bond, third-party fidelity coverage or liability insurance that includes crime coverage.

Payroll processors who have authority to access, control, direct, transfer or disburse a client’s funds must also provide evidence of a surety bond in an amount equal to the greater of \$50,000 or the total of all local, state and federal tax payments and unemployment contributions remitted by the payroll processor on behalf of employers in this state in the 3-consecutive-month period

of highest volume during the previous calendar year. The bond need not exceed \$500,000. A letter of credit or participation in the state’s Payroll Processor Recovery Fund can be substituted for a surety bond.

A payroll processor must provide certain information to each client at least every quarter. Such information includes an accounting of funds received and disbursed, contact information for state and federal tax agencies to verify payments have been made, and notice that bonding does not necessarily ensure that all claims will be covered if the payroll processor fails to comply with its responsibilities.

**A payroll processor may not designate itself as the sole recipient of notices from state or federal authorities for nonpayment of taxes or unemployment contributions. A payroll processor shall ensure that such notices are provided directly to the affected employers or non-wage filers.**

Failure to register or abide by all statutory requirements will subject a payroll processor to certain civil penalties. Further information and applications may be obtained from the Bureau of Consumer Credit Protection. Call (207) 624-8527 or visit the web site at [www.credit.maine.gov](http://www.credit.maine.gov) (select “List of license types”, then go to “Payroll Processor”).



**FORM 941BN-ME**

**Business Change  
Notification**

**MAINE REVENUE SERVICES**

Complete this form to report a change in your withholding account contact information or to cancel your withholding account. Incomplete forms will not be processed.

Mail to: Maine Dept. of Labor, Central Registration Unit  
P.O. Box 1057, Augusta, ME 04332-0057

**Step 1**

Identify your business as currently on file with Maine Revenue Services.

Current Name: \_\_\_\_\_

Current Address: \_\_\_\_\_

Current Phone Number: \_\_\_\_\_

Withholding Account Number: \_\_\_\_\_ UC Employer Account Number: \_\_\_\_\_

**Step 2**

List your new contact information; enter only if different from current information.

New Name: \_\_\_\_\_

New ATTN Line: \_\_\_\_\_

New Address: \_\_\_\_\_

New Email Address: \_\_\_\_\_

*(PRINT CLEARLY)*

New Phone Number: \_\_\_\_\_ Effective Date of Change \_\_\_\_/\_\_\_\_/\_\_\_\_

**NOTE: Do not enter a Payroll Preparer's address or other contact information here.**

**Step 3**

Request to cancel account. (Do not report cancellation for a seasonal shutdown period.)

Check this box to cancel Withholding Account

Check this box to cancel Unemployment Insurance Contributions Account.

Reason for Cancellation:  Business Closed

Business Sold to: Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Date Business Sold: \_\_\_\_/\_\_\_\_/\_\_\_\_

Other \_\_\_\_\_

Date the business no longer had employees \_\_\_\_/\_\_\_\_/\_\_\_\_ Date of last payroll \_\_\_\_/\_\_\_\_/\_\_\_\_

**Step 4**

Sign and mail your report.

**Under penalties of perjury, I certify that the information contained on this form is true and correct.**

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Print Title: \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_ Daytime Phone: \_\_\_\_\_

**For Paid Preparers Only**

Paid Preparer's Signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Firm's Name (or yours if self-employed): \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_

EIN/SSN: \_\_\_\_\_ Maine Payroll Processor License Number: \_\_\_\_\_

# GENERAL INFORMATION

**Who must file?** All pass-through entities required to withhold Maine income tax from the Maine-source distributive income of each nonresident member (partner, shareholder, LLC member, etc.) must file Form 941P-ME. **Note: This withholding requirement is separate from and in addition to employee income tax withholding requirement.**

**When to file.** Returns must be completed and filed with Maine Revenue Services each quarter according to the following schedule:

<u>Quarter</u>	<u>Period Covered</u>	<u>Due Date</u>
Quarter 1 .....	01-01-09 to 03-31-09 .....	04-30-09
Quarter 2 .....	04-01-09 to 06-30-09 .....	07-31-09
Quarter 3 .....	07-01-09 to 09-30-09 .....	10-31-09
Quarter 4 .....	10-01-09 to 12-31-09 .....	01-31-10

**Payment:** Payment of withholding amounts must be remitted quarterly at the time of filing the return to avoid interest and penalty. Prepayments may also be made by paper voucher (Form 900ME) or electronically (EFT or EZ Pay) during the quarter.

**Interest and Penalty.** Beginning January 1, 2009, the interest rate is 8% per annum, compounded monthly. The penalty for failure to pay the withholding tax on time is 1% per month up to a maximum of 25%. The penalty for failure to file a return on time is 10% of the tax liability or \$25, whichever is greater. If a return is filed more than 30 days after demand, the penalty is 100% of the tax due.

**Where to file.** Mail returns, with payments, to Maine Revenue Services, P.O. Box 9118, Augusta, Maine 04332-9118.

**How much should I withhold?** You must withhold 8.5% of any Maine-source distributable income for each nonresident member (8.93% for C corporation members). This percentage represents Maine's top income tax rate. If you do not know the exact amount of income allocated to a member, you must estimate. To avoid penalties and interest, the withholding tax must be based on either of the following:

- (a) the prior year's Maine-source member income, or
- (b) 90 percent of the current year's Maine-source member income.

**Maine-source Member Income.** Maine-source member income is the member's share of the net income of the entity apportioned to Maine in accordance with 36 M.R.S.A., Chapter 821.

**Are there any exceptions?** If Maine-source entity income allocated to a single member for an entire calendar year or prior year is less than \$1,000, this withholding requirement is waived for that member. However, this does not mean the nonresident member will not owe income tax to Maine. It is possible, especially if there is other Maine-source income, for the nonresident member to owe income taxes to Maine even if the withholding requirement does not apply.

If a nonresident member agrees to comply with all Maine income tax laws, no withholding is necessary for that member. The member who has made this agreement must provide the entity with an Affidavit and Agreement to Comply with Maine Income Tax (Form 941AF-ME). The entity must keep the document on record for at least three years. Further, the entity must annually submit a Pass-through Entity Withholding Exemption Form (941E-ME) and a List of Participating Members in the Compliant Taxpayer Exemption (941LM-ME).

If a nonresident member wishes to be included in a composite

filing, the withholding requirement is waived for that member. Each participating member must provide the entity with an Agreement to Participate in a Composite Filing of Maine Income Tax (Form 941CF-ME). The entity must also file a Pass-through Entity Withholding Exemption Form 941E-ME with MRS, although a list of participating members is not required. Visit the MRS web site at [www.maine.gov/revenue](http://www.maine.gov/revenue) for more information about composite filing.

If a pass-through entity believes, for reasons other than those already mentioned, that it should be exempt from the withholding requirement, or the entity would like to propose an alternate application of the withholding requirement, the entity may apply for an exemption. In order to apply, Form 941E-ME and a letter of explanation must be submitted to MRS as soon as possible prior to the filing deadline for the quarterly return. If the exemption request involves a complicated pass-through entity structure (i.e., tiered entities), more time may be required for MRS to issue a decision. If the entity requesting an exemption does not receive a decision prior to the withholding deadline, the entity will need to submit the required withholding. The entity must reapply for the exemptions annually.

Copies of Form 941E-ME, affidavits and more information on pass-through entity withholding and exemptions are available at [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms).

**Composite filing.** A composite filing is a simplified group return for two or more nonresident individual members of a pass-through entity. Only natural persons and certain trusts may participate in the composite filing. For a full description of the composite filing return and process, see Schedule 1040C-ME at [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms).

The advantages to the entity of composite filing are that participating individual nonresident members need not be listed separately on the quarterly return (as is required by the pass-through entity withholding requirement), and no Form 1099ME needs to be issued to the participating member. The advantage to the individual nonresident member is that the entity files the member's Maine income tax return (Form 1040ME) and pays the tax due.

Do not withhold from members who have agreed to participate in the annual composite filing for 2009 (i.e., those included in the number of composite filing participants in the "Exemption Breakdown" area of Form 941E-ME). The steps below must be followed in order to be exempt from the withholding requirement. Note that entities filing a composite return must make estimated payments in lieu of withholding from the participating members.

- 1) The entity must collect a Composite Filing Participation Statement (Form 941CF-ME) from each nonresident member who wants to participate in the group filing. This statement must be obtained prior to the mailing of the Pass-through Entity Withholding Exemption form (Form 941E-ME).
- 2) The entity must then submit to MRS a Pass-through Entity Withholding Exemption form (Form 941E-ME).
- 3) The entity must make estimated payments (Form 1040ES-ME) on behalf of the composite filing group as long as the aggregate Maine income tax liability is greater than \$1,000. All members of the composite return are grouped together and treated as one filer for estimated tax purposes. If the tax liability of the composite group is anticipated to exceed \$1,000, the entity must make four equal estimated payments in order to avoid the penalty for the underpayment of estimated tax. Estimated payments for the composite group are due based on 8.5% of Maine-source entity income. As with any estimated payments,

they may be based either on 90% of the current year's Maine-source member income or 100% of the previous year's Maine-source member income. For more information about estimated tax payments, see the instructions and worksheets for Forms 1040ES-ME and 2210ME.

- 4) The final requirement for the composite filing exemption is the filing of the composite return. Instructions for the composite filing can be found with Schedule 1040C-ME. Along with the composite return (filed on Form 1040ME), the entity must complete and include Schedule 1040C-ME and Schedule NRC, which asks for the name, ownership percentage, ID number (SSN, EIN, etc.) and share of Maine-source income for each participating member.

**Form 1099ME.** After the calendar year and by January 31, the pass-through entity must supply each member with a copy of Form 1099ME (available in this booklet or at [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) or by calling (207) 624-7894), showing the total amount withheld for the year for that member. The member must present this with his/her individual income tax return in order to prove the amount withheld for the year. A person who furnishes a false or fraudulent Form 1099 or fails to furnish a Form 1099 commits a civil violation for which a fine of \$50 for each failure must be imposed.

**Form W-3ME.** Pass-Through Entities that withhold Maine Income Tax must file an annual reconciliation (Form W-3ME) by February 28 of the following year. See Form W-3ME for more information.

**Note:** Forms in this book are designed to comply with optical scanning requirements. The spaces underlined in red must be completed carefully in black or blue ink. Letters and numbers must be entered legibly within the underlined area. Letters must appear in upper case only and start on the left. Numbers must start from the right.

For example:

Name:	C O M P A N Y I N C
Address:	1 2 3 F I R S T S T
Maine Income Tax Withheld:	1 2 3 4 5 . 0 0

**Do not mail photocopies of the forms in this book to Maine Revenue Services. Photocopied forms cannot be processed by the scanning system. Additional forms may be downloaded at [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) or call 207-626-8475.**

## SPECIFIC INSTRUCTIONS

Each quarterly return in this booklet is preprinted with the quarter being reported, your Pass-through Withholding Account Number, your business name(s) and the calendar period covered. Your Pass-through Withholding Account Number consists of your federal Employer Identification Number plus a two-digit state suffix. Returns must be completed and filed with Maine Revenue Services on or before the required due date.

**Line A. Number of payees.** Enter the total number of non-resident members subject to Maine pass-through entity withholding this quarter.

**Line 1.** Enter the amount of Maine pass-through entity withholding reported for this quarter from Schedule 2P, line 10. Reduce the amount of this line by any amount of real estate withholding payments.

**Line 2.** If you elected to make prepayments during the quarter, complete Schedule 1P. Enter the total amount remitted (either with Forms 900ME or by Electronic Payments) from Schedule 1P, line 5. Enter zero if you did not make any prepayments. Include only pass-through entity withholding payments made by the filing entity. Do not include Real Estate Withholding (REW) payments which are reported on Form REW-1.

**Line 3a.** Enter the amount of Maine income tax withholding due with this return if line 1 is greater than line 2. Enclose your remittance with the return.

**Line 3b.** Enter the amount of Maine income tax withholding overpaid if line 2 is greater than line 1. A refund will be sent to you.

### Business Change Notification

When the business terminates or the requirement to withhold permanently ceases, or there has been a change in the business name, address or telephone number, complete Form 941BN-ME on page 3.

### Schedule 1P Reconciliation of 900ME Voucher or Electronic Prepayments of Pass-through Entity Withholding

Schedule 1P reports prepayments of pass-through entity withholding.

Complete Schedule 1P only if you made prepayments during the quarter. Complete one row of the schedule for each prepayment made. If you did not make any prepayments, do not complete Schedule 1P.

**Line 5.** Enter the total amount of pass-through entity withholding prepayments for this quarter. Include amounts remitted with Forms 900ME as well as amounts remitted by EFT or EZ Pay. Enter this amount on Form 941P-ME, line 2.

### Schedule 2P Pass-through Entity Withholding Listing

**All filers must complete Schedule 2P, columns 6, 7 and 8 and lines 9 and 10.** See further instructions below. Complete all information for each Schedule 2P page submitted, including the check boxes at the top of the page. If any nonresident member is other than an individual, a separate Schedule 2P must be submitted and the appropriate space at the top of the form must be checked.

**Column 6.** Enter each member's last name, first name and middle initial. If a nonresident member is other than an individual, enter the business name.

**Column 7.** Enter each member's social security number or, if the nonresident member is other than an individual, the federal employer identification number.

**Column 8.** Enter the total Maine income tax withheld for each member during the quarter. If a member's withholding is greater than \$999,999.99, enter the withholding on two or more lines to add up to the total withholding for the member. If no income tax was withheld, enter zero.

**Line 9.** Enter the total Maine income tax withheld for members listed on this page. If no income tax was withheld, enter zero.

**Line 10.** On the last Schedule 2P page only, enter the total Maine income tax withheld for all Schedule 2P pages. If no income tax was withheld, enter zero. Enter this amount on Form 941P-ME, line 1.

## AMENDED RETURNS

If you made an error on a previously filed return, you must file an amended return to correct the error. Amended returns (one for income tax withholding and one for unemployment contributions) are located in this booklet immediately following Form W-3ME. Instructions for completing these forms are on the back of each form. Additional forms are available at [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) or by calling (207) 624-7894.

## ELECTRONIC FILING REQUIRED FOR SOME EMPLOYERS/PAYORS



Revised Rule 104 (Electronic Filing of Maine Tax Returns) requires electronic filing of Maine income tax withholding returns if the employer or payor has 50 or more employees/clients/payees in the first calendar quarter of 2009, 10 or more employees/clients/payees in the second, third or fourth calendar quarters of 2009, or 5 or more employees/clients/payees in 2010. Employers/payors unable to meet the electronic filing requirement because of undue hardship may request a waiver from the State Tax Assessor. To view Rule 104, see [www.maine.gov/revenue](http://www.maine.gov/revenue) (select "Laws & Rules").

The quarterly return and Form W-3ME may be filed via the MRS Internet filing program (Maine I-file), which does not require any special software. For your convenience, you may upload wage listing spreadsheet files via the Maine I-file program. Maine I-file has many convenient features:



**EASY LOGIN:** The login process is quick, making it faster and easier to get your work done.

**FLEXIBLE FILING:** You can file returns for any quarter of the year.

**FILE UPLOAD:** You can upload employee wage and withholding data from your spreadsheet file.

**PRE-FILLED PAYMENT DATA:** Semiweekly payments made on Form 900ME or via EZ Pay will be prefilled automatically on your I-File account, saving you time.

**PRE-FILLED PAYEE DATA:** The *I-File* system for payroll taxes stores your employee data for the next quarter. Payee names and social security numbers will be pre-filled automatically.

**SECURITY:** Maine Revenue Services uses 128-bit encryption and secure socket layer technology to ensure the data you enter and send is secure.

**Try it on your own or call us for assistance.** Experienced personnel will walk you through your initial registration and answer any questions you may have. **Call (207) 626-8475, select option 1, then option 4** for a direct connection to the Maine Business Tax Unit. For more information, see [www.maine.gov/revenue](http://www.maine.gov/revenue).

## Electronic Payment Options



Maine Revenue Services ("MRS") offers a convenient 24-hour electronic payment option called **EZ Pay**. You can access **EZ Pay** on our web site at [www.maine.gov/revenue/netfile/ezpay.htm](http://www.maine.gov/revenue/netfile/ezpay.htm). Almost any type of tax payment can be made, including withholding and unemployment taxes. To avoid having to make payments earlier than necessary, payments may be scheduled in advance and will automatically be withdrawn on the payment date you select.

To use **EZ Pay**, simply register online at the time you want to make your first payment. Once registered, the system will ask you to select the tax type you want to pay. If you are making a semiweekly payment, select "900ME Withholding Semiweekly Payment." If you are paying a tax balance due with your quarterly withholding return, select "Withholding Payment." If you are paying a balance due from a bill or notice that you received from MRS, select "Bill Payment." If you make semiweekly payments electronically, do not send paper copies of Form 900ME to MRS.

MRS accepts both ACH credit method and ACH debit payments for income tax withholding quarterly returns. ACH Credit and ACH Teledebit (phone payment system) require the submission of an EFT application prior to use.

**EFT Required.** Taxpayers with an annual total combined tax liability for all taxes of \$50,000 or more must pay electronically. For years after 2009, the threshold is \$25,000 or more. Payroll processing companies must remit electronically for all clients, even if clients are not mandated to pay electronically. A payroll processing company may request a waiver from this requirement for good cause. MRS also encourages voluntary participation in the EZ Pay program by those not required to pay electronically. There are no payment minimums.

**ACH Credit.** A taxpayer may make payments using this method by authorizing their bank to withdraw the tax payment from the taxpayer's deposit account and transfer it to the state's account. You must have previously established a relationship with a bank that provides this service (generally larger commercial banks) and you must have previously registered with the MRS EFT Unit as a credit method payer.

**ACH Debit.** A taxpayer may make payments using this method by authorizing MRS to electronically transfer tax payments from the taxpayer's deposit account to the MRS deposit account. ACH Teledebits are initiated through a telephone call to the MRS electronic withdrawal payment system (207-624-7777). This telephone payment system allows taxpayers to arrange for debit payments with effective dates up to 15 days in the future. Another option available is for the amount due shown on the return you I-file to be deducted from your account within 3 business days from the date you authorize the transfer.

**Penalty for Insufficient Funds.** The penalty for insufficient funds applies to electronic funds transfers. The penalty is \$20 or 1% of the payment amount, whichever is greater.

**Penalty for Failure to Pay by Electronic Funds Transfer.** Any person required to pay by electronic funds transfer who fails to do so is liable for a penalty equal to the lesser of 5% of the tax due or \$5,000.

For more information, an application or a copy of Rule 102, visit [www.maine.gov/revenue](http://www.maine.gov/revenue) and select Electronic Services; send an email to [efunds.transfer@maine.gov](mailto:efunds.transfer@maine.gov); send a fax to (207) 287-6975; call (207) 287-8276; or write to: EFT Unit, Maine Revenue Services, PO Box 9100, Augusta, ME 04332-9100.

## Unclaimed Property Reporting Requirements

Maine businesses are required to identify, report and remit unclaimed property to the Office of State Treasurer in accordance with 33 M.R.S.A., Chapter 41. The required reports may be filed online (secure server) electronically using free downloadable software available at [www.maine.gov/unclaimed](http://www.maine.gov/unclaimed) or on paper.

The report must be filed May 1st for life insurance property, gift certificates/cards, and stored value cards, and November 1st for all other unclaimed property, such as, bank accounts, uncashed checks and securities.

For more information, go to [www.maine.gov/unclaimed](http://www.maine.gov/unclaimed) or call (207) 624-7470.