



1999 1065ME/1120S-ME MAINE INFORMATION RETURN

990081000

For calendar year 1999 or tax year beginning in 1999 (attach federal form)

Check here if this is an **Amended** return

For tax period 01/01/99 - 12/31/99 or _____ **99** _____

FEDERAL EMPLOYER ID NUMBER _____

STATE OF INCORPORATION _____ DATE INCORPORATED _____

NAME _____

ADDRESS _____

CITY, TOWN OR POST OFFICE _____ STATE _____ ZIP CODE _____

CITY/STATE WHERE RECORDS ARE MAINTAINED _____

BUSINESS CODE _____ TAX MATTERS PARTNER/PERSON _____ IDENTIFYING NUMBER OF TAX MATTERS PERSON _____ TELEPHONE NUMBER _____

TYPE OF ENTITY:

Partnership S corporation Limited liability company

CHECK HERE IF:

Name or address has changed
 First filing of the entity Inactive entity Final return

Do not submit photocopies of this form; photocopies cannot be processed by the Maine Revenue Services scanning system. Do not use red ink.

1. Number of partners, shareholders or members: a. _____ Residents (of Maine) b. _____ Nonresidents c. _____ Total

d. Over 100 partners/shareholders - include only IRS Form 1065 or Form 1120S with this form (send no K-1s).

e. 100 or fewer partners/shareholders - include Maine Schedule of Partners/Shareholders income, IRS Form 1065 or Form 1120S and all K-1s.

2. Have you made/will you make composite filing under Rule 805 for nonresident partners/shareholders: Yes No

a. If "Yes" checked on line 2 above, enter **INCOME FROM FEDERAL FORM 1065**, Schedule K, Analysis of Net Income, Line 1 or Form 1120S, Schedule K, line 23 a _____

b. **MULTIPLY THE AMOUNT FROM THE LINE ABOVE BY THE APPORTIONMENT FACTOR**, line 4d below - this is the total Maine income to be used for composite filing on Form 1040ME b _____

THIS SECTION MUST BE COMPLETED BY ALL FILERS

3. **LOCATION OF DOING BUSINESS:**

a. Does business entirely within Maine (complete only lines 4e and 4f below).

b. Does business entirely outside Maine.

c. Engaged in interstate commerce including doing business in Maine. Please complete apportionment of income schedule below.

	(A) Totals within Maine	(B) Totals within and without Maine	(C) Maine factors: Col. A/Col. B x statutory weighting rounded to 6 decimals
4 a. Total SALES	_____ ÷ _____	_____ ÷ _____	x .50 = _____
b. PAYROLL	_____ ÷ _____	_____ ÷ _____	x .25 = _____
c. Total PROPERTY ...	_____ ÷ _____	_____ ÷ _____	x .25 = _____
d. MAINE APPORTIONMENT FACTOR (total of Column C)			d. _____
e. INCOME (LOSS) FROM FEDERAL FORM 1065, Schedule K, lines 1-7 OR FORM 1120S, Schedule K, lines 1-6			e. _____
f. INCOME APPORTIONED TO MAINE (line e x line d factor)			f. _____

Under penalties of perjury I, the undersigned, declare that I have examined this information return and, to the best of my knowledge and belief, it is true, correct and complete. Declaration of preparer is based on all information of which preparer has any knowledge.

Officer's signature

Title

Date

Preparer's signature

Date

Office use only LG K-1

PLEASE DO NOT STAPLE OR TAPE FORMS TO THIS RETURN

FORM 1065ME/1120S-ME INSTRUCTIONS

WHO MUST FILE THIS FORM? Partnerships and S corporations filing federal Form 1065 or 1120S that do business in Maine or that have resident partners or shareholders. S corporations that have federal taxable income must also file Form 1120ME. Financial institutions organized as partnerships or S corporations do not file this form – see instructions for Form 1120B-ME.

Limited Liability Companies. A domestic limited liability company or a foreign limited liability company doing business in Maine is classified as a partnership for Maine income tax purposes, unless classified otherwise for federal income tax purposes. The limited liability company is classified in the same manner for Maine income tax as for federal income tax purposes.

WHEN MUST THE FORM BE FILED? S corporations must file Form 1065ME/1120S-ME by the 15th day of the 3rd month following the close of the taxable year. Partnerships must file Form 1065ME/1120S-ME by the 15th day of the 4th month following the close of the taxable year. If this form will be filed late, Form 4477ME (extension of time to file) must be filed by the original due date of this return.

WHERE TO FILE. Mail completed form with federal copies of Form 1065 or Form 1120S to Maine Revenue Services, 24 State House Station, Augusta, ME 04333-0024.

SPECIFIC INSTRUCTIONS

- If other than a calendar year, enter beginning and ending dates for the tax year covered by the return.
- Write the federal EIN used on federal Form 1065 or Form 1120S.
- Indicate the business name used on federal Form 1065 or Form 1120S.
- Indicate the business mailing address, including the name of the entity officer or tax matters partner to whom correspondence should be addressed.
- Check the appropriate business type and attach the corresponding federal form to Form 1065ME/1120S-ME.
- Indicate changes, if any.

LINE 1. (a) Indicate number of partners/shareholders who are residents of Maine.
(b) Indicate number of partners/shareholders who are nonresidents of Maine.
(c) Indicate total number of partners/shareholders.

Over 100 partners/shareholders. Attach only IRS Form 1065 or Form 1120S and no K-1s.
100 or fewer partners/shareholders. Attach Maine Schedule of Partners/Shareholders Income, IRS Form 1065 or Form 1120S and all K-1s.
(If entity is filing a Maine composite 1040ME for nonresident partners/shareholders, see line 2.)

LINE 2. Composite filing under Rule 805 for non-Maine resident partners/shareholders. Entity files in Maine for nonresident partners/shareholders electing to participate and whose only Maine income is from the entity (see 36 MRSA, §5192(5)). Indicate “Yes” if filing a composite return for any nonresident partner/shareholder. For composite filing purposes, complete lines 2a and 2b. The amount on line 2b is the income total to be used on the composite return, Form 1040ME. If “No” is checked on line 2, do not complete lines 2a and 2b.

LINE 2a. Partnerships enter on this line the amount from federal Form 1065, Schedule K, Analysis of Net Income, line 1. Analysis of Net Income is located on page 4 of Form 1065 and line 1 consists of Schedule K, lines 1 through 7 minus lines 8 through 11, 14a, 17e and 18b. S corporations enter on this line the amount from federal Form 1120S, Schedule K, line 23.

LINE 3. Indicate location of partnership or S corporation business activity. If line 3a is checked, complete lines 4e and 4f. If line 3c is checked, complete lines 4a - 4f.

LINE 4. Apportionment of Income Schedule. This schedule is for entities engaged in interstate business. Maine employs a three-factor formula to determine the percentage of business income that is apportioned to Maine. This percentage is derived from a fraction, the numerator of which is the property factor plus the payroll factor plus twice the sales factor, and the denominator of which is 4. If the apportionment provisions do not fairly represent the extent of the taxpayer’s business activity in this state, the taxpayer may petition for, or the Executive Director may require, an alternate method of apportionment. If one factor is excludable from the apportionment formula, the weighting of the two remaining factors must be changed. A factor is excludable only if both the numerator and denominator are zero, but is not excludable merely because the numerator is zero. When excluding the sales factor, change the weight of the payroll and property factors to 50% (0.5) each. When excluding either the payroll or property factor, change the weight of the sales factor to 66.67% (0.6667) and the weight of the remaining factor to 33.33% (0.3333). If two factors are excludable from the apportionment formula, change the weight of the remaining factor to 100%. If you are excluding any factors, attach a schedule detailing the factors used and the apportionment computation. The total of lines 4a, 4b and 4c (from Column C) must equal the amount you enter on line 4d.

Sales Factor (line a). “Sales” means all gross receipts such as trade sales, dividends, interest, rents and royalties. The sales factor is a fraction, the numerator of which is the total sales of the taxpayer in the state during the tax period, and the denominator of which is the total sales of the taxpayer everywhere during the tax period.

Sales of tangible personal property are attributed to Maine if: (1) the property is delivered or shipped to a purchaser other than the U.S. government, in Maine, regardless of the F.O.B. point or other conditions of the sale or, (2) the property is shipped from an office, store, warehouse, factory or other place in storage in Maine and the purchaser is the U.S. government or the taxpayer is not taxed in the state of the purchaser.

Sales, other than sales of tangible personal property, are attributed to Maine if: (1) the income-producing activity is performed in this state or, (2) the income-producing activity is performed both in and outside Maine and a greater proportion of the income-producing activity is performed in this state than any other state, based on costs of performance.

Payroll Factor (line b). The payroll factor is a fraction, the numerator of which is the total paid in Maine during the tax period by the taxpayer for compensation, and the denominator of which is the total compensation paid everywhere during the tax period. “Compensation” means wages, salaries, commissions and any other form of remuneration to employees for personal services, including deferred compensation. Compensation is paid in Maine if: (1) the individual’s service is performed entirely within this state or, (2) the individual’s service is performed both within and outside Maine, but the service performed outside the state is incidental to the individual’s service within Maine or, (3) some of the service is performed in the state and the base of operations or, if there is no base of operations, the place from where the service is directed or controlled is in a state in which no service is performed, but the individual’s residence is in Maine.

Property Factor (line c). The property factor is a fraction, the numerator of which is the average value of the taxpayer’s real and tangible personal property (including inventory) owned or rented and used in Maine during the tax period and the denominator of which is the average value of all the taxpayer’s real and tangible personal property (including inventory) owned or rented and used during the tax period.

Property owned by the taxpayer is valued at original cost. Property rented by the taxpayer is valued at 8 times the net annual rental rate. Net annual rental rate is the annual rental rate paid by the taxpayer less any annual rate received by the taxpayer from subrentals. The average value of the property is determined by averaging the values at the beginning and ending of the tax period, but the Executive Director of Maine Revenue Services may require the averaging of monthly values during the tax period if reasonably required to reflect properly the average value of the taxpayer’s property.

Signature(s) is/are required. Call the forms line at 207-624-7894 if you need additional copies of this form or the Schedule of Partners/Shareholders Income. If you have any questions, call 207-626-8475 weekdays 8:00 a.m. - 5:00 p.m., except holidays.

NOTE: For entities with over 100 partners/shareholders, no K-1s should be attached and the Schedule of Partners/Shareholders Income is not required.



Schedule of Partners/Shareholders Income

990081100

FORM 1065ME/1120S-ME **1999**

Federal Employer ID No. _____

1	<p>_____</p> <p>Name Social Security No. Partner/Shareholder share of Income</p> <p>_____</p> <p>Address</p> <p>_____</p> <p>City State ZIP</p>	<p>Partner/shareholder status:</p> <p>Resident of Maine <input type="checkbox"/></p> <p>Nonresident of Maine <input type="checkbox"/></p>
2	<p>_____</p> <p>Name Social Security No. Partner/Shareholder share of income</p> <p>_____</p> <p>Address</p> <p>_____</p> <p>City State ZIP</p>	<p>Partner/shareholder status:</p> <p>Resident of Maine <input type="checkbox"/></p> <p>Nonresident of Maine <input type="checkbox"/></p>
3	<p>_____</p> <p>Name Social Security No. Partner/Shareholder share of Income</p> <p>_____</p> <p>Address</p> <p>_____</p> <p>City State ZIP</p>	<p>Partner/shareholder status:</p> <p>Resident of Maine <input type="checkbox"/></p> <p>Nonresident of Maine <input type="checkbox"/></p>
4	<p>_____</p> <p>Name Social Security No. Partner/Shareholder share of income</p> <p>_____</p> <p>Address</p> <p>_____</p> <p>City State ZIP</p>	<p>Partner/shareholder status:</p> <p>Resident of Maine <input type="checkbox"/></p> <p>Nonresident of Maine <input type="checkbox"/></p>
5	<p>_____</p> <p>Name Social Security No. Partner/Shareholder share of Income</p> <p>_____</p> <p>Address</p> <p>_____</p> <p>City State ZIP</p>	<p>Partner/shareholder status:</p> <p>Resident of Maine <input type="checkbox"/></p> <p>Nonresident of Maine <input type="checkbox"/></p>
6	<p>_____</p> <p>Name Social Security No. Partner/Shareholder share of Income</p> <p>_____</p> <p>Address</p> <p>_____</p> <p>City State ZIP</p>	<p>Partner/shareholder status:</p> <p>Resident of Maine <input type="checkbox"/></p> <p>Nonresident of Maine <input type="checkbox"/></p>

SCHEDULE OF PARTNERS/SHAREHOLDERS INCOME. Enter the appropriate information for each partner or shareholder. Be sure to enter the distributive income for each person listed. The total shares of income for all partners/shareholders should equal the amount on line 4f of Form 1065ME/1120S-ME. If there are more than 6 partners/shareholders, additional forms may be requested from Maine Revenue Services at 207-624-7894.

Approved, computer generated substitute schedules may be used, but only after gaining official approval from Maine Revenue Services. A list of software developers who have created approved schedules is available on the Internet at: <http://janus.state.me.us/revenue>.

NOTE: For entites with over 100 partners/shareholders, this schedule is not required.

ALL PAGES OF THIS SCHEDULE MUST BE FILED WITH FORM 1065ME/1120S-ME