



MAINE TAX ALERT

A Publication of Maine Revenue Services for Tax Professionals

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Public Communications Tel: (207) 626-8478

1065/1120S ME – Amended Line 4E Instructions

There is an incorrect line reference in the instructions for the 2006 Form 1065ME/1120S-ME, annual return for partnerships and S corporations that are provided on the back of the form.

Line 4e Line Reference Correction

The instructions for line 4e, entity income, direct S corporations to enter on this line the amount from federal Form 1120S, Schedule K, line 17e. Unfortunately, the line numbers for federal Form 1120S changed this year and the form was not posted to the IRS web site before we sent our forms to the printer. The information that was previously entered on Schedule K, line 17e is now entered on Schedule K, line 18. For 2006, S corporations should enter on Form 1065/1120S ME, line 4e the amount from federal Form 1120S, Schedule K, line 18. The downloadable version of this form (www.maine.gov/revenue/forms/pnrscorp/2006/1065_06.pdf) has been updated.

Electronic Filing Now Available for Form W-3ME (Reconciliation of Maine Income Tax Withheld)

Employers and other payers who withheld Maine income tax during calendar year 2006 must file an annual reconciliation (Form W-3ME) on or before February 28, 2007.

Maine Revenue Services recently added Form W-3ME to its I-FILE and ICESA electronic filing systems. These systems are used to file Maine quarterly employment tax returns. Those who currently use one of these systems to file quarterly returns can also file Form W-3ME using the same system by simply selecting the “W-3ME” option on the activity menu.

Employers with 100 or more employees and payroll processors reporting for 100 or more clients must submit Form W-3ME electronically. All others are encouraged to file Form W-3ME using one of the above electronic filing systems. You can access both systems on the Maine Revenue Services web site at www.maine.gov/revenue/netfile/gateway2.htm.

Contact the Withholding Unit by email at withholding.tax@maine.gov or by phone at (207) 626-8475 (press 1, then option 4 on the menu) for questions or assistance.

Pine Tree Development Zone Certified Businesses

Maine Sales Tax law allows businesses located in a Pine Tree Development Zone and certified by the Maine Department of Economic and Community Development a partial or total Maine Sales Tax exemption on materials used in the construction/expansion of new facilities within the zone. For certified businesses, the exemption is available at the point of purchase of the eligible materials.

However, for Contractors Performing Services for Certified Pine Tree Development Zone Businesses, this is a Reimbursement Program Only

Contractors employed by certified Pine Tree Development Zone businesses to construct facilities within the zone must pay the Maine Sales Tax on the purchase of the materials and then request reimbursement of the Sales Tax paid within 3 years from the date the materials are incorporated into the real estate of the certified business. The “Contractor’s Exemption Certificate” cannot be used to make those purchases exempt from the Maine Sales Tax. Application for reimbursement must be made directly to Maine Revenue Services on an Application for Refund of Sales or Use Tax (available at www.state.me.us/revenue/forms/sales/strptdz.pdf), described in detail in Bulletin 52 (see link below).

If, prior to this notification, materials described above have been purchased by the contractor exempt from the Maine Sales Tax, Maine Revenue Services will acknowledge the exempt purchase provided that all other supporting documentation is in order.

If, subsequent to this notification, it is determined that purchases continue to be made exempt from the Maine Sales Tax, contractors may be subject to an assessment of the unpaid sales tax amount.

For more information, please see Instructional Bulletin 52 regarding Pine Tree Development Zones at www.maine.gov/revenue/salesuse/Bull52.pdf.

<u>Department</u>	<u>Telephone Numbers</u>	<u>FAX Numbers</u>	<u>E-mail Addresses</u>
Taxpayer Service Center	(207) 287-2076	(207) 287-5855	
Appellate	(207) 624-9854	(207) 287-3294	
Central Registration	(207) 287-2338	(207) 287-3733	division.uctax@maine.gov
Collections & Compliance	(207) 624-9595	(207) 287-6627	compliance.tax@maine.gov
Corporate Tax	(207) 624-9670	(207) 624-9694	corporate.tax@maine.gov
Economic Research	(207) 624-9789	(207) 287-3618	
E-file Help Desk (1040 ONLY)	(207) 624-9730	(207) 624-9740	efile.helpdesk@maine.gov
Electronic Funds Transfer	(207) 287-8276	(207) 287-6627	efunds.transfer@maine.gov
Estate Tax	(207) 626-8480	(207) 624-9694	estatetax@maine.gov
Fuel Tax	(207) 624-9745	(207) 287-6628	fuel.tax@maine.gov
Forms Request Line	(207) 624-7894	(207) 622-3517	
Income Tax Assistance	(207) 626-8475	(207) 624-9694	income.tax@maine.gov
Insurance Premium Tax	(207) 624-9753	(207) 624-7729	
NexTalk (TTY Service)	(888) 577-6690		
Payment Plan/Income Tax	(207) 621-4300	(207) 621-4328	compliance.tax@maine.gov
Payment Plan/Other	(207) 624-9595	(207) 287-6627	compliance.tax@maine.gov
Practitioners' Hotline	(207) 626-8458	(207) 624-9694	
Property Tax	(207) 287-2013	(207) 287-6396	prop.tax@maine.gov
Public Communications	(207) 626-8478	(207) 624-9694	
Sales Tax	(207) 624-9693	(207) 287-6628	sales.tax@maine.gov
Tax Clearance Letters	(207) 624-9628	(207) 287-6627	
Taxpayer Advocate	(207) 624-9649	(207) 287-3618	taxpayer.advocate@maine.gov
Withholding Tax	(207) 626-8475	(207) 624-9694	withholding.tax@maine.gov
Tax Violations Hot Line	(207) 624-9600		

This publication is designed to keep taxpayers, tax practitioners and the general public informed of developments, problems, questions and matters of general interest concerning Maine tax law, policy and procedure. The articles in this newsletter are not designed to address complex issues in detail, and they are not a substitute for Maine tax laws and/or regulations.

STATE OF MAINE

John Elias Baldacci, Governor

Rebecca M. Wyke, Commissioner
Administrative and Financial Services

Jerome D. Gerard, Acting Executive
Director, Maine Revenue Services

Suggestions for the Tax Alert?

Please contact: Public Communications (207) 626-8478

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