

MAINE TAX ALERT

A Publication of Maine Revenue Services for Tax Professionals

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Public Communications Tel: (207) 626-8478

Data Warehouse Collection Initiative

Maine Revenue Services (MRS) is engaged in a project to discover additional non-filers through the Data Warehouse Collection Initiative (DWCI). MRS has contracted with Revenue Solutions Inc. (RSI) to develop the new data warehouse and develop new non-filer leads. RSI will utilize the DiscoverTax product to identify individuals with various sources of income associated with Maine who have not filed Maine or Federal individual income tax returns. The first set of general non-filer notices generated from this project is expected to be mailed in November.

MRS Rulemaking Activity

Adoption of Amended Rule 104, "Electronic Filing of Maine Tax Returns."

This rule, which has been in place since 2008, describes the requirements for mandatory electronic filing of certain Maine tax returns. The amended Rule clarifies the timing and filing requirements for sales tax returns in Section .03. The definition of "electronic filing" is amended and additional edits are made throughout the Rule.

Amended Rule 104 can be found on the MRS web site at <u>www.maine.gov/revenue</u> (select Laws & Rules).

2011 Maine Individual Income Tax Rates

Below are the individual income tax rate schedules for tax years beginning in 2011. The rate schedules for 2010 are found at www.maine.gov/revenue/forms/1040/2010/RateSched_10_NoReform.pdf.

Note: The 2011 tax rate schedule dollar bracket amounts are adjusted by multiplying the cost-of-living adjustment, 1.195 by the dollar amounts of the tax rate tables specified in 36 MRSA §5111 subsections 1-B, 2-B and 3-B (see 36 MRSA §5403). The personal exemption amount is not subject to an inflation adjustment for tax year 2011.

Do not use these tax rate schedules to determine income tax withholding from wages.

		e Schedule #1			
For Si	ingle Individuals and Mar	ried Persons Filing Separate Returns			
If the taxable income is:		The tax is:			
Less than \$5,000		2.0% of the taxable income			
\$ 5,000 but less than	\$9,950	\$ 100 plus 4.5% of excess over \$ 5,000			
\$ 9,950 but less than	\$19,950	\$ 323 plus 7.0% of excess over \$ 9,950			
\$19,950 or more		\$1,023 plus 8.5% of excess over \$19,950)		
	Tax Rat	e Schedule #2			
For Unmarried	or Legally Separated Ind	ividuals who Qualify as Heads-of-Households			
If the taxable income is: The tax is:					
Less than \$7,500		2.0% of the taxable income			
\$ 7,500 but less than	\$14,900	\$ 150 plus 4.5% of excess over \$ 7,500			
\$14,900 but less than	\$29,900	\$ 483 plus 7.0% of excess over \$14,900			
\$29,900 or more		\$1,533 plus 8.5% of excess over \$29,900)		
	Tax Rat	e Schedule #3			
For M	larried Individuals and Su	rviving Spouses Filing Joint Returns			
If the taxable income is:		The tax is:			
Less than \$10,000		2.0% of the taxable income			
\$10,000 but less than	\$19,950	\$ 200 plus 4.5% of excess over \$10,000			
\$19,950 but less than	\$39,900	\$ 648 plus 7.0% of excess over \$19,950			
\$39,900 or more		\$2,045 plus 8.5% of excess over \$39,900)		
Personal Exemption:	\$2,850				
Standard Deduction:	Single - \$5,800	Married Filing Jointly - \$9,650			
	Head-of-Household - \$8,	500 Married Filing Separate - \$4,825			
Additional Amount for A	ge or Blindness:				
		rately) or a qualified surviving spouse. The addition	iona		

\$1,150 if married (whether filing jointly or separately) or a qualified surviving spouse. The additional amount is \$2,300 if one spouse is 65 or over and blind, \$2,300* if both spouses are 65 or over, \$4,600* if both spouses are 65 or over and blind, etc.

*If married filing separately, these amounts apply only if you can claim an exemption for your spouse.

\$1,450 if unmarried (single or head-of-household). The additional amount is \$2,900 if the individual is both 65 or over <u>and</u> blind.

Note: If taxpayer can be claimed as a dependent on another person's return, the standard deduction is the greater of \$950 or earned income plus \$300 (up to the standard deduction amount).

Department	Telephone Numbers	FAX Numbers	E-mail Addresses
Taxpayer Service Center	(207) 287-2076	(207) 287-5855	
Appellate	(207) 624-9854	(207) 287-3618	
Central Registration	(207) 621-5129	(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) 287-6628	efile.helpdesk@maine.gov
Electronic Funds Transfer	(207) 287-8276	(207) 287-6975	<u>efunds.transfer@maine.gov</u>
Estate & Fiduciary Tax	(207) 626-8480	(207) 624-9694	estatetax@maine.gov
Fuel Tax	(207) 624-9609	(207) 287-6628	<u>fuel.tax@maine.gov</u>
Forms Request Line	(207) 624-7894		
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	<u>compliance.tax@maine.gov</u>
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.

Suggestions for the Tax Alert?

Please contact: Public Communications (207) 626-8478 Maine Revenue Services 24 State House Station Augusta, Maine 04333-0024

STATE OF MAINE

John Elias Baldacci, Governor

Ellen Jane Schneiter, Commissioner Administrative and Financial Services

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