



**CREDIT FOR EDUCATIONAL OPPORTUNITY  
WORKSHEET FOR INDIVIDUALS  
FOR TAX YEAR 2010  
36 MRSA § 5217-D**

TAXPAYER NAME: \_\_\_\_\_ SSN: \_\_\_\_\_

Did you receive (check one):  Bachelor's degree  Associate degree. Date of graduation: \_\_\_\_\_

**Read the instructions before completing this worksheet.**

**Did your employer(s) make eligible education loan payments on your behalf during your tax year beginning in 2010?** .....  YES  NO

If **yes**, complete the following employer information:

EMPLOYER NAME: \_\_\_\_\_ EIN: \_\_\_\_\_

If more than one employer, attach a schedule showing information for all employers.

1. Enter the monthly benchmark loan payment amount. (see instructions) ..... 1. \$ \_\_\_\_\_
2. Enter the lesser of the following amounts ..... 2. \$ \_\_\_\_\_
  - a. The monthly amount of eligible education loan payments **due** during your tax year beginning in 2010, even if less or more than what was actually paid, and regardless of whether the amount was paid by you, your employer or someone else (\$ \_\_\_\_\_).
  - b. The monthly eligible education loan payment amount **actually paid** by you, your employer(s) and anyone else during your tax year beginning in 2010 (\$ \_\_\_\_\_).
3. Enter the lesser of line 1 or line 2 ..... 3. \$ \_\_\_\_\_
4. With respect to that period of the tax year you were a resident of Maine working for an employer located in Maine, enter the number of months you, your employer and/or anyone else made eligible education loan payments. (see instructions) ..... 4. \_\_\_\_\_
5. Multiply line 3 by line 4 ..... 5. \$ \_\_\_\_\_
6. Enter the amount of line 5 paid by your employer(s) or anyone else ..... 6. \$ \_\_\_\_\_
7. Subtract line 6 from line 5 ..... 7. \$ \_\_\_\_\_
- 8a. Enter total number of academic credit hours earned for the degree after December 31, 2007. 8a. \_\_\_\_\_
- 8b. Enter total number of academic credit hours earned for the degree ..... 8b. \_\_\_\_\_
- 8c. Divide line 8a by line 8b ..... 8c. \$ \_\_\_\_ . \_\_\_\_
9. Current year credit amount. Multiply line 7 by line 8c. .... 9. \_\_\_\_\_
10. Carry forward of unused credit amount from 2009 ..... 10. \_\_\_\_\_
11. Total credit available (line 9 plus line 10). Enter the result here and on Form 1040ME, Schedule A, line 10 ..... 11. \_\_\_\_\_
12. Carryforward to 2011 (see instructions) ..... 12. \$ \_\_\_\_\_

**IMPORTANT**

Upon review of this worksheet, Maine Revenue Services may request supporting documentation for any or the following: degree received; date of degree; academic credit hours earned for the degree prior to January 1, 2008 and after December 31, 2007; the institution(s) from which the degree was earned; the educational loans that qualify for the credit; the educational loan payments made by you or your employer during the tax year that qualify for the credit; any other information necessary to substantiate the credit claimed.

**2010**  
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**WORKSHEET INSTRUCTIONS FOR INDIVIDUALS**

**GENERAL INSTRUCTIONS**

**Note:** The **Credit for Educational Opportunity Worksheet for Individuals** and the related instructions below are only for individual taxpayers who have made eligible education loan payments. Employers eligible to claim the related credit must complete a separate worksheet – the **Credit for Educational Opportunity Worksheet for Employers**. Owners of pass-through entities should also refer to that worksheet and related instructions regarding any credit amount for which they may be eligible to claim.

The Credit for Educational Opportunity is a component of the Job Creation Through Educational Opportunity Program available after 2007. The purpose of the program is to provide an income tax credit for education-related costs for Maine residents who obtain an associate or bachelor's degree from a Maine college, junior college or university and who, after graduation, live, work and pay taxes in Maine. The credit is available to qualifying graduates and employers making eligible education loan payments.

**Qualifying graduates** are those individuals who meet all of the following:

- the individual was a Maine resident while attending a Maine college or university in pursuit of an associate or bachelor's degree\*;
- all coursework for the associate or bachelor's degree was performed at a Maine college or university\*;
- the individual obtained an associate or bachelor's degree from a Maine college or university; and
- after graduation, this individual is a Maine resident working for an employer located in Maine.

\* For individuals enrolled in a degree program prior to January 1, 2008, these requirements need only be met from January 1, 2008 forward.

**Credit amount.** The credit is equal to the eligible education loan payments (defined below) paid by the taxpayer during the tax year, limited to the benchmark loan payment amount. The benchmark loan payment amount applies only if the total principal of loans the student received as part of a financial aid package exceeds the principal cap. The principal cap is based on the in-state tuition and fees for the Maine Community College System or the University of Maine System, depending on whether the degree is an associate degree or a bachelor's degree and depending on the year of graduation. See Title 20-A, § 12542 (2-A). The principal cap amounts for 2010 are \$3,300 for an associate degree and \$7,865 for a bachelor's degree. These amounts are adjusted annually for a cost-of-living adjustment. The related benchmark loan payment amounts for 2010 are \$72 for an associate degree and \$343 for a bachelor's degree.

If the eligible education loan payments are made by both the qualifying graduate and the graduate's employer(s), the total combined credit of the graduate and all employers may not exceed the benchmark loan payment amount multiplied by the number of months during the tax year eligible loan payments were made. Also, a qualifying graduate and an employer may each claim a credit only on the basis of eligible education loan payments *they* each made. For example, a qualifying graduate may not claim a credit for a loan payment made by their employer. A credit may be claimed for both spouses on a married-joint return if both spouses are qualifying graduates. The credit may not reduce the tax otherwise due to less than zero. Any unused credit amount may be carried forward for up to 10 years.

**Eligible education loan payments**, for purposes of this worksheet, are payments made by, or on behalf of, a qualifying graduate with respect to education loans that are part of a financial aid package for attendance at a Maine college or university. Payments made in excess of the annual amount required by the financial institution are not eligible for the credit. Payments made on loans with a term fewer than 8 years do not qualify as eligible education loan payments. Payments made on refinanced eligible education loans qualify for the credit as long as the refinanced loan remains separate from any debt incurred outside of the individual's financial aid package.

**SPECIFIC INSTRUCTIONS**

**Enter your name and social security number ("SSN") in the spaces provided. Indicate whether you received a bachelors degree or an associate's degree. Enter date of graduation.**

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**SPECIFIC INSTRUCTIONS-CONTINUED**

If your employer made eligible loan payments on your behalf during your tax year, enter employer name and EIN (employer identification number) in the spaces provided. Your employer's EIN should be located on your Form W-2.

Line 1. Enter the appropriate monthly benchmark loan payment amount as follows:

<u>If you graduated in:</u>	<u>and the degree you received was:</u>	
	<u>Associate Degree</u>	<u>Bachelor's Degree</u>
	<u>the benchmark loan payment amount is:</u>	

2008	*	*
2009	*	*
2010	\$72.00	\$343.00

\* The benchmark loan payment amount is the amount stated in the Opportunity Maine Contract you signed with your college or university. Attach a copy of the contract when claiming the credit. If you do not have a copy of the contract, attach a copy of a statement from the financial aide office indicating the benchmark loan payment amount for the year during which you graduated.

**Line 2.** Enter the lesser of the following: a) the *monthly* eligible education loan payment amount **due** during your tax year beginning in 2010 (the amount **required** to be paid to the lender each month, even if less or more than what was actually paid, and regardless of whether you, your employer or anyone else paid the amount); or, b) the *monthly* amount of eligible education loan payments **actually** made during your tax year by you, your employer and/or anyone else. **To support amounts entered on this line, provide documentation from each lender showing the monthly payments due and the monthly payments actually made during your tax year beginning in 2010.**

**Line 4.** With respect to that period of the tax year you were a resident of Maine working for an employer located in Maine, enter the number of months you, your employer and/or anyone else made eligible education loan payments. For example, if you graduated May 2010, made 6 eligible education loan payments beginning July 1, 2010, were a Maine resident from July 1, 2010 through the end of your tax year (December 31, 2010), and started working for a Maine employer August 1, 2010, enter 5 on line 4. In this example, there are only 5 months that you meet all of the requirements.

**Line 6.** Enter on line 6 the total amount of eligible education loan payments **made by your employer or anyone else** (other than you) during your tax year beginning in 2010. For a definition of **eligible education loan payments**, see the General Instructions above.

**Line 8.** The credit is limited to the percentage of academic credit hours earned after 2007. Divide line 8a by line 8b. Enter the result as a decimal carried out 4 places (example, 10/40 = 0.2500). If lines 8a and 8b are equal, enter the decimal amount as 1.0000.

**Line 12.** Enter on this line the amount from line 11 that was not used this year. The allowable credit is limited to the tax otherwise due. This limitation is applied on Maine Schedule A, line 20. Any unused credit resulting from the limitation may be carried forward to succeeding tax years for up to 10 years. Keep a copy of the worksheet as a reminder of the amount of unused credit you carry forward to tax year 2011.

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