

**2012 MAINE MINIMUM TAX CREDIT AND CARRYFORWARD TO 2013**  
**Worksheet for Form 1040ME, Schedule A, Line 14**

Enclose a copy of 2012 federal Form 8801



Name(s) as shown on Form 1040ME

Your Social Security Number

**New for 2012.** For tax years beginning on or after January 1, 2012, the Maine minimum tax is repealed for non-corporate taxpayers. However, any unused Maine minimum tax credit from tax years beginning prior to 2012 may be claimed until exhausted.

1. Enter the amount from the 2011 Maine Form 1040ME, Schedule A, line 3c..... \_\_\_\_\_
2. Minimum tax credit carryforward from 2011 (2011 Maine Minimum Tax Worksheet, line 21) ..... \_\_\_\_\_
3. Enter 2011 net state minimum tax on federal exclusion items – From the Maine Minimum Tax -  
Exclusion Items Worksheet below ..... \_\_\_\_\_
4. 2011 adjusted net state minimum tax (Line 1 plus line 2 minus line 3 – if zero or less, enter zero)..... \_\_\_\_\_
5. Enter 2012 Maine income tax liability (2012 Form 1040ME, line 20 plus line 21 minus line 22  
minus line 24 [except minimum tax credit] minus line 25). If zero or less, enter zero ..... \_\_\_\_\_
6. **Maine minimum tax credit:** Enter the lesser of line 4 or 5 here and on Form 1040ME, Schedule A, line 14 ..... \_\_\_\_\_
7. **Maine minimum tax credit carryforward to 2013** (Subtract line 6 from line 4)..... \_\_\_\_\_

**NOTE:** If you have a Maine minimum tax credit carryforward to 2013, keep a copy of the worksheet to submit with your 2013 Maine individual income tax return.

**Maine Minimum Tax — Exclusion Items Worksheet for Line 3 above**

Complete the following worksheet to compute the Maine minimum tax on exclusion items, line 3 above:

- a. Enter amount from 2012 federal Form 8801, line 4..... \_\_\_\_\_
- b. Modifications - Enter line 3 from the Maine Minimum Tax - Income Modification Worksheet below.  
**Add** income treated as exclusion items subject to Maine income tax that is not subject to federal income tax.  
**Subtract** income treated as exclusion items that Maine or federal law prohibits from state taxation.  
Include only amounts not already added or subtracted in calculating federal alternative minimum taxable income.  
(May be a positive or negative number) ..... \_\_\_\_\_
- c. Combine line a and line b. If zero or less, enter zero ..... \_\_\_\_\_
- d. **2011 Exemption.** Enter amount for your filing status shown below:..... \_\_\_\_\_  

If your filing status is:	and line c is not over:	Enter on line d:
Single or Head of Household .....	\$112,500 .....	\$33,750
Married filing Jointly or Qualifying Widow(er) .....	\$150,000 .....	\$45,000
Married Filing Separately .....	\$75,000 .....	\$22,500

**If line c is more than the amount shown above for your filing status, see Worksheet for line d below.**
- e. Subtract line d from line c ..... \_\_\_\_\_
- f. Apportionment factor. Maine residents enter 100%. **Nonresident and part-year residents see instructions\*** ..... \_\_\_\_ . \_\_\_\_ %
- g. Multiply line e by line f and enter result here ..... \_\_\_\_\_
- h. Effective tax rate. Divide line 6 of the 2011 Maine Minimum tax worksheet by line 5 of the 2011 Maine Minimum tax worksheet. Enter result here ..... \_\_\_\_ . \_\_\_\_ %
- i. 2011 Tentative Maine minimum tax on exclusion items (multiply line g by line h)..... \_\_\_\_\_
- j. 2011 Maine income tax (2011 Form 1040ME, line 20 less line 25)..... \_\_\_\_\_
- k. Alternative Maine minimum tax on exclusion items (subtract line j from line i). If zero or less, enter zero..... \_\_\_\_\_
- l. Credit against the Maine minimum tax on exclusion items for minimum tax paid to other taxing jurisdictions on exclusion items (For Maine residents only). Enter line E from the Maine Minimum Tax - Worksheet for line l below..... \_\_\_\_\_
- m. 2011 Maine minimum tax on exclusion items (Subtract line l from line k). If zero or less, enter zero.  
Enter the result here and on line 3 of the Maine Minimum Tax Credit and Carryforward Worksheet above..... \_\_\_\_\_

\*Apportionment factor (line f above) – For nonresidents and part-year residents, the factor is the ratio of the taxpayer’s Maine-source income associated with the adjusted minimum taxable income on exclusion items (line c above) divided by the total adjusted minimum taxable income on exclusion items (line c above).

**Maine Minimum Tax — Income Modification Worksheet for the  
Exclusion Items Worksheet, Line b above**

**1. ADDITIONS - see instructions**

- a. Income from municipal and state bonds, other than Maine .....
- b Net Operating Loss Adjustment (see instructions; attach a schedule showing your calculation).....
- c Maine Public Employees Retirement System Contributions .....
- d Domestic Production Activities Deduction Add-back.....
- e Bonus Depreciation Add-back (see instructions) .....
- f Maine Capital Investment Credit Bonus Depreciation Add-back (see instructions) .....
- g Fiduciary Adjustment - additions only** (attach a copy of your 2011 federal Schedule K-1).....
- h Other (see instructions). List the type and amount of income items included (attach a separate schedule, if necessary).....
- i Deductible costs incurred in the production of Maine exempt income (see instructions) .....
- j Any loss, deduction or other expense attributable to income from an ownership interest in a pass-through entity financial institution (see instructions) .....
- k Total additions** (Add lines 1a through 1j).....

**2. SUBTRACTIONS - see instructions**

- a U.S. Government Bond interest .....
- b Social Security and Railroad Retirement Benefits .....
- c Pension Income Deduction .....
- d Interest from Maine Municipal General Obligation, Private Activity and Airport Authority Bonds .....
- e Premiums for Long-Term Care Insurance (Do not include health insurance premiums on this line).  
**NOTE: If you itemized deductions in 2011, complete worksheet below** .....
- f Maine Public Employees Retirement System Pick-Up Contributions paid to the taxpayer during 2011 which have been previously taxed by the state.....
- g Contributions to Qualified Tuition Programs - 529 Plans.....
- h Fiduciary Adjustment-deductions only** (attach a copy of your 2011 federal Schedule K-1).....
- i Bonus Depreciation and Section 179 Recapture (See instructions) .....
- j Other. List (see instructions). **Do not enter non-Maine income on line 2j**.....
- k Deductible costs of producing income exempt from federal tax, but subject to Maine tax.....
- l Total Subtractions** (add lines 2a through 2k) .....

- 3. Net Modification** (subtract line 2l from line 1k — enter here and on line b, Maine Minimum Tax - Exclusion Items Worksheet above [may be a negative amount]) .....

**Maine Minimum Tax — Worksheet for Line 2e of the Income Modification Worksheet above**

For individuals who claimed a deduction for long-term care insurance premiums in 2011. Complete this worksheet **only** if you claimed Maine itemized deductions in 2011 and your 2011 federal Schedule A, line 4 is greater than zero or you were self-employed in 2011 and your 2011 federal Form 1040, line 29 is greater than zero.

- 1. **Enter total amount of long-term care insurance premiums paid during 2011:** ..... \$
- 2. Enter amount from 2011 federal Schedule A, line 1 .....
- 3. Enter amount of long-term care premiums included in line 2 above .....
- 4. Divide line 3 by line 2 .....
- 5. Enter 2011 federal Schedule A, line 4 minus federal Form 6251, line 2 \$ .....  
Multiply this amount by the percentage on line 4 above and enter result here .....
- 6. Enter the amount of long-term care insurance premiums included on 2011 federal Form 1040, line 29 .....
- 7. Subtract line 5 and line 6 from line 1. Enter result here and on Maine Minimum Tax - Income Modification Worksheet, line 2e above.....

**Maine Minimum Tax — Exemption Worksheet for line d of the Exclusion Items Worksheet above**

**Exemption.** Complete the worksheet below only if line c of the Exclusion Items Worksheet above is more than the amounts shown on line 3 below for your filing status. Enter the result on line d of the Exclusion Items Worksheet above.

1. Enter: \$33,750 if single or head of household; \$45,000 if married filing jointly or qualifying widow(er);  
\$22,500 if married filing separately ..... \_\_\_\_\_
2. Enter the amount from line c of your Exclusion Items Worksheet above ..... \_\_\_\_\_
3. Enter: \$112,500 if single or head of household; \$150,000 if married filing jointly or  
qualifying widow(er); \$75,000 if married filing separately..... \_\_\_\_\_
4. Subtract line 3 from line 2. If zero or less, enter -0- ..... \_\_\_\_\_
5. Multiply line 4 by 25% (.25) ..... \_\_\_\_\_
6. Subtract line 5 from line 1. If zero or less, enter -0-. If this form is for a child under age 18, go to  
line 7 below. Otherwise, **stop here** and enter this amount on line d of the Exclusion Items Worksheet above..... \_\_\_\_\_
7. Child's minimum exemption amount ..... \$6,950
8. Enter the **child's earned income**, if any..... \_\_\_\_\_
9. Add lines 7 and 8..... \_\_\_\_\_
10. Enter the **smaller** of line 6 or line 9 here and on line d of the Exclusion Items Worksheet above..... \_\_\_\_\_

**Maine Minimum Tax — Worksheet for line I of the Exclusion Items Worksheet above –  
Maine residents only**

- A. Taxpayer's Maine tentative alternative minimum taxable income on exclusion items (from line c of the Exclusion Items  
Worksheet above) ..... \_\_\_\_\_
- B. Amount included in line A above that was derived from other jurisdiction in 2011 ..... \_\_\_\_\_
- C. Percentage of income taxed by other jurisdiction (Divide line B by line A)..... \_\_\_\_\_ %
- D. Limitation of credit:
  1. Alternative Maine minimum tax on exclusion items from line k of the Exclusion Items Worksheet above  
\$ \_\_\_\_\_ multiplied by \_\_\_\_\_ % on line C..... \_\_\_\_\_
  2. 2011 Minimum tax on exclusion items paid other jurisdiction on income taxed under  
the Maine minimum tax ..... \_\_\_\_\_
- E. Allowable credit, the smaller of line D(1) or D(2). Enter here and on line I of the Exclusion Items Worksheet above..... \_\_\_\_\_

**MAINE MINIMUM TAX INSTRUCTIONS — Income Modification Worksheet  
for Exclusion Items Worksheet, line b**

**Line 1. Additions.** Add 2011 income treated as exclusion items subject to Maine income tax that was not subject to federal income tax. *Also include the taxpayer's distributive share of addition modification items from partnerships, S corporations and other pass-through entities.*

**Line 1a.** Enter 2011 income from municipal and state bonds, other than Maine, not included in the Exclusion Items Worksheet, line a (i.e., enter bond interest from City of New York but not from Portland, Maine). Generally, this is the amount from 2011 Form 1040ME, Schedule 1, line 1a.

**Line 1b.** Enter any federal net operating loss carry forward included in the Exclusion Items Worksheet, line a. For more information on NOLs, go to [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) (select Income Tax Guidance Documents). Generally, this is the amount from 2011 Form 1040ME, Schedule 1, line 1b.

**Line 1c.** Enter 2011 Maine Public Employees Retirement System Contributions. See your 2011 Maine W-2 form. Generally, this is the amount from 2011 Form 1040ME, Schedule 1, line 1c.

**Line 1d.** Enter the amount claimed as a domestic production activities deduction on 2011 federal Form 1040, line 35. Generally, this is the amount from 2011 Form 1040ME, Schedule 1, line 1d.

**Line 1e. Bonus depreciation add-back.** An addition modification is required equal to the net increase in depreciation resulting from bonus depreciation claimed for 2011 federal alternative minimum tax purposes. To calculate this addition modification, the amount of the add-back on line 1f must be subtracted from the basis of property placed in service in 2011. Then MACRS depreciation must be calculated on the remaining property basis. The amount entered on this line equals the amount that the 2011 federal depreciation claimed, less the amount on line 1f, exceeds the recalculated MACRS depreciation. If the recalculated MACRS depreciation is greater than the adjusted federal depreciation, no addition modification is required on this line. Enclose a copy of the federal Form 4562, along with the add-back calculation, with the return. For more information and examples, go to [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) (select *Income Tax Guidance Documents*). Generally, this is the amount from 2011 Form 1040ME, Schedule 1, line 1e.

**Line 1f.** Enter the amount of federal bonus depreciation deduction included in the Exclusion Items Worksheet, line a related to property for which the Maine Capital Investment Credit was claimed. Generally, this is the amount from 2011 Form 1040ME, Schedule 1, line 1f.

**Line 1g.** Enter your share of the 2011 fiduciary adjustment (addition modifications) relating to income from an estate or trust (36 M.R.S.A. § 5122(3)). Attach a copy of your 2011 federal Schedule K-1. Generally, this is the amount from 2011 Form 1040ME, Schedule 1, line 1g.

**Line 1h. Other.** Enter on this line the following amounts for 2011:

- income taxes imposed by Maine or other states, general sales taxes or qualified mortgage insurance premiums deducted in arriving at 2011 federal alternative minimum taxable income
- amounts deducted as a business or other expense for federal tax purposes that were included in the credit base for the 2011 high-technology investment tax credit and forest management planning credit
- qualified tuition and other education expenses deducted on 2011 federal Form 1040 or Form 1040A
- qualified payments and tax

benefits from states or municipalities to firefighters and emergency medical responders that were excluded from 2011 federal gross income pursuant to Code section 139B. List the source of each amount claimed in the space provided. For more information, go to [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms).

**Line 1i. Deductible costs, included in the Exclusion Items Worksheet, line a, incurred in the production of Maine exempt income.** Enter any interest or other expense deductions reflected in the Exclusion Items Worksheet, line a attributable to income not taxable under Maine law. Generally, this is the amount from 2011 Form 1040ME, Schedule 2, line 5b.

**Line 1j. Ownership interest in a pass-through entity financial institution.** Enter any loss, deduction or other expense included in the Exclusion Items Worksheet, line a attributable to an ownership interest in a pass-through entity financial institution.

**Line 2. Subtractions.** Subtract 2011 income treated as exclusion items that Maine or federal law prohibits from state taxation. **NOTE: You may only subtract the items listed below on this schedule.** *Also include the taxpayer's distributive share of subtraction modification items from partnerships, S Corporations and other pass-through entities.* Enter only amounts that were not already subtracted in calculating the 2011 federal alternative minimum taxable income.

**Line 2a.** If included in the Exclusion Items Worksheet, line a, enter income from direct obligations of the U.S. Government, such as Series EE and Series HH Savings bonds, U.S. Treasury bills and notes. Generally, this is the amount from 2011 Form 1040ME, Schedule 1, line 2a.

**Line 2b.** If included in the Exclusion Items Worksheet, line a, enter social security benefits issued by the U.S. Government and railroad retirement benefits (tier 1 and tier 2) and unemployment and sick benefits issued by the U.S. Railroad Retirement Board. Generally, this is the amount from 2011 Form 1040ME, Schedule 1, line 2c.

**Line 2c.** Enter the 2011 pension income deduction. See 2011 Maine Schedule 1, line 2d instructions for more information. Include copies of your 2011 1099 forms to verify the subtraction. Enter an amount only to the extent included in the Exclusion Items Worksheet, line a.

**Line 2d.** If included in the Exclusion Items Worksheet, line a, enter interest from Maine municipal general obligation and private activity bonds and bonds issued by a Maine airport authority. Generally, this is the amount from 2011 Form 1040ME, Schedule 1, line 2e.

**Line 2e.** Enter **premiums for long-term care insurance.** If 2011 federal Form 6251, line 2 is greater than zero, complete the worksheet for line 2e on page 2. To qualify, the insurance policy on which the premiums are paid 1) must meet the federal definition for a long-term care insurance contract (IRC § 7702B(b)) (these are long-term care premiums that generally qualify for federal itemized deductions), or 2) be certified by the Maine Bureau of Insurance. Premiums claimed must be reduced by any premiums claimed as Maine itemized deductions and by any premiums included in the federal self-employed health insurance deduction claimed on 2011 federal Form 1040, line 29.

**Line 2f.** Use this line only if you retired after 1988 and received retirement benefits from the **Maine Public Employees Retirement System (MePERS) in 2011.** Subtract the amount in box 14 from the amount in box 2a on your 2011 Form 1099-R issued by MePERS. Also enter on this line MePERS rollover amounts previously taxed by the state under the Maine alternative minimum tax, whether or not included in federal alternative minimum taxable income. Generally, this is the amount from 2011 Form 1040ME, Schedule 1, line 2g.

**Line 2g.** Enter up to \$250, per beneficiary, of contributions made in 2011 to a Maine or non-Maine **qualified tuition program** ("529 college savings plan") only if your 2011 federal adjusted gross income is not more than \$100,000 if single or married filing separately or \$200,000 if married filing joint or head of household. Generally, this is the amount from 2011 Form 1040ME, Schedule 1, line 2h.

**Line 2h.** Enter your share of the 2011 **fiduciary adjustment (subtraction modifications)** relating to income from an estate or trust (36 M.R.S.A. § 5122(3)) to the extent allowable for the 2011 Maine alternative minimum tax. Attach a copy of your 2011 federal Schedule K-1. Generally, this is the amount from 2011 Form 1040ME, Schedule 1, line 2i.

**Line 2i. Bonus depreciation/section 179 expense recapture** amounts required to be added to income under 36 M.R.S.A. §§ 5122(1)(N), 5122(1)(AA) or 5200-A(1)(N) (with respect to individual owners of certain electing S corporations) for Maine alternative minimum tax purposes prior to 2011 may be recaptured. For more information and examples, visit [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms). (select *Income Tax Guidance Documents*).

**Line 2j. Other Subtractions.** Unless specifically stated, do **not** enter non-Maine income on this line. Enter **ONLY** items specifically listed below. **NOTE:** *Maine net operating loss carryover deductions were not allowed for tax years beginning in 2009, 2010 and 2011. For more information on Maine's treatment of NOLs, go to [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) (select *Income Tax Guidance Documents*).*

List the source of each amount claimed in the space provided and attach supporting documentation when claiming an amount on this line. Enter only amounts included in the Exclusion Items Worksheet, line a. Enter on this line: • military compensation received by a nonresident servicemember • military annuity payments made to a survivor of a deceased member of the military as a result of service in the

active or reserve components of the U.S. armed services under a survivor benefit plan or reserve component survivor benefit plan in accordance with 10 USC, Chapter 73 • recovery amounts included on 2011 federal Form 1040, line 21 related to items previously deducted on your federal return but not on your Maine return in an earlier year, such as real estate taxes • discharge of indebtedness amounts included in the Exclusion Items Worksheet, line a, deferred for federal alternative minimum tax purposes but not Maine alternative minimum tax purposes during 2009 or 2010 • the amount of loan payments made by employers included in the Exclusion Items Worksheet, line a, of individuals qualified for the Opportunity Maine Credit • the amount of the reduction in your salaries and wages expense deduction directly related to claiming the federal Work Opportunity Credit or Empowerment Zone Credit to the extent allowed against the 2011 federal alternative minimum tax. These amounts are reported on 2011 federal Form 5884, line 2 or 2011 federal Form 8844, line 2 (owners of pass-through entities, enter your share of the amount from line 3 of these forms to the extent not included on line 2). Note: do not enter wage amounts from Form 8844 related to the federal Renewable Community credit. • settlement payments received by Holocaust victims that are included in the Exclusion Items Worksheet, line a • account proceeds from a Family Development Account administered by FAME • earnings from fishing operations that were contributed to a capital construction fund • the amount of military retirement benefits not included in the pension income deduction on line 2d received by certain licensed dentists who practice an average of 20 hours or more per week in Maine and accept patients who receive MaineCare benefits • income from investments in the Northern Maine Transmission Corporation • up to \$750 of property tax benefits provided by municipalities to senior citizens pursuant to 36 M.R.S.A. § 6232(1-A) to the extent included in the Exclusion Items Worksheet, line a • interest income and capital gains from the sale of bonds issued relative to the Maine Waste Management & Recycling Program to the extent included in the Exclusion Items Worksheet, line a • all items of income, gain, interest, dividends, royalties and other items of income of a financial institution subject to the Maine franchise tax that are included in the Exclusion Items Worksheet, line a, due to an ownership share in the financial institution that is a partnership, S corporation, or entity disregarded as separate from its owner • the total of capital gains and ordinary income resulting from depreciation recapture pursuant to Code sections 1245 and 1250 realized on the sale of multifamily affordable housing property certified by the Maine State Housing Authority. A copy of the MSHA certificate must be attached to the return.

**Line 2k. Deductible costs of producing 2011 income exempt from federal alternative minimum tax but subject to the Maine alternative minimum tax.** Enter 2011 interest or other expense items attributable to income taxable under the 2011 Maine alternative minimum tax law, but exempt from 2011 federal alternative minimum tax. Enter only amounts not included in the Exclusion Items Worksheet, line a.