

INSTRUCTIONS for WORKSHEET B

Income Allocation Worksheet for Part-year Residents/Nonresidents/"Safe Harbor" Residents

Part-year resident, nonresident and "Safe Harbor" resident individuals **must** complete *Worksheet B* to calculate Maine-source income for the entire taxable year. Married persons filing separate Maine income tax returns must complete separate Worksheets B.

Part-Year Residents: *If you are unable to determine the exact amount of income, other than wages, earned during the period of Maine residency, divide the total income earned by 12 and multiply the result by the number of months you were a resident. This method can be used to allocate interest, dividends, pension or annuity distributions or other income received from intangible sources. Generally, this method cannot be used to determine Maine-source business income, rental income, or capital gains since this income is determined on the basis of where the business activity occurs or the location of the property.*

NOTE: If you are filing Schedule NRH, DO NOT include your spouse's income on Worksheet B.

Column A – Federal Income. Enter the amounts of income as reported on your federal return. Part-year resident, nonresident and "Safe Harbor" resident individuals must complete this column.

Column B – Maine Resident Period. Part-year residents, enter the portion from column A received during the period you were a Maine resident. If you were a nonresident of Maine for the entire year or a "Safe Harbor" resident, skip columns B and C and complete columns D and E.

Column C – Resident Period, income earned outside Maine. Part-year residents only - enter income from column B that you received while a resident of Maine that was earned outside Maine.

Column D – Nonresident Period. Enter income from column A that you received during the period you were a nonresident or "Safe Harbor" resident of Maine. Part-year resident, nonresident and "Safe Harbor" resident individuals must complete this column.

Column E – Nonresident Period Maine-source Income. Part-year resident, nonresident and "Safe Harbor" resident individuals must complete this column. Enter income from column D that you received while a nonresident or "Safe Harbor" resident that was derived from or connected with Maine sources (described above).

If necessary, use Worksheet C (Employee Apportionment Worksheet) at www.maine.gov/revenue/forms to calculate the amount for column E, line 1.

Instructions for using Worksheet B to complete Schedule NR, line 1.

1. Enter Worksheet B, column A, line 15 on Schedule NR, line 1, box A.
2. Add Worksheet B, column B, line 15 to Worksheet B, column E, line 15. Enter the total on Schedule NR, line 1, box B.
3. Subtract Worksheet B, column E, line 15 from Worksheet B, column D, line 15. Enter the result on Schedule NR, line 1, box C.
4. Follow the instructions for Schedule NR in order to complete lines 2 through 9 on Schedule NR.

Instructions for using Worksheet B to complete Schedule NRH, line 1.

1. Complete Worksheet B, columns A through E.
2. Complete Schedule NRH, column B, lines 1a-1f from corresponding lines from Worksheet B, column A. For example, enter Worksheet B, column A, line 1 on Schedule NRH, column B, line 1a. **NOTE:** Schedule NRH, column B, line 1f must equal Worksheet B, column A, line 15.
3. Complete Schedule NRH, column C, lines 1a-1f by subtracting corresponding lines on Worksheet B, column E, from Worksheet B, column D. For example, subtract Worksheet B, column E, line 1 from Worksheet B, column D, line 1 and enter the result on Schedule NRH, column C, line 1a.
4. Follow the instructions for Schedule NRH in order to complete lines 2 through 11 on Schedule NRH.