



**Dirigo Business Incentives Tax Credit
Worksheet for Corporations
Tax Year 2025
36 M.R.S. §§ 5219-AAA
Enclose with Form 1120ME.**



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2500109

Name of Taxable Corporation		Federal EIN	
Name of Qualified Business		Federal EIN/SSN	DECD Certification Number
			FR -

Note: In the case of pass-through entities (such as partnerships, LLCs, S corporations, and trusts) making eligible investments, each member (partner, shareholder, beneficiary, or other owner) is allowed a credit in proportion to their pro rata share of the entity. Enter the name and ID number of the entity on the lines below. Also enter your pro rata share with respect to the pass-through entity for the tax year on line A. Enclose a copy of federal Schedule K-1 issued to you by the pass-through entity. See instructions below to determine your pro rata share.

Name of Pass-through Entity		Federal EIN/SSN	

A. Pro rata share of Qualified Business. (See instructions.).....	A.	□	□	□	□	□	□	□	□
1. Enter the tax year the credit was first claimed. (See instructions.).....	1.								
2. Total qualified business credit. (See instructions.).....	2.	 . 00							
3. Enter your pro rata share of the credit. Multiply line 2 by line A. (See instructions.)	3.	 . 00							
Read the instructions before completing lines 4, 5, and 6.									
4. If the corporation is a member of an affiliated business group engaged in a unitary business, enter the Maine tax liability of the taxable corporation shown above. Otherwise, skip lines 4 and 5 and enter 1.0000 on line 6.....	4.	 . 00							
5. Enter the total Maine tax liability of all the taxable corporations in the affiliated business group	5.	 . 00							
6. Line 4 divided by line 5.....	6.	□	□	□	□	□	□	□	□
7. This line is reserved for future use. Do NOT enter an amount on this line.....	7.								
8. This line is reserved for future use. Do NOT enter an amount on this line.....	8.								
9. Multiply line A by \$2,000,000.....	9.	 . 00							
10. Multiply line 9 by line 6.....	10.	 . 00							
11. Enter the smaller of line 3 or line 10.....	11.	 . 00							
12. Multiply line A by \$500,000.....	12.	 . 00							
13. Multiply line 12 by line 6.....	13.	 . 00							
14. 2025 refundable credit. Enter the smaller of Line 11 or Line 13. Enter here and on Form 1120ME, Schedule C, line 2d. (See instructions.).....	14.	 . 00							
15. 2025 nonrefundable credit. Line 11 minus line 14. If zero or less, enter zero. Enter here and on Form 1120ME, Schedule C, line 1p. (See instructions.).....	15.	 . 00							

Carryover provisions apply.

2025 Dirigo Business Incentives Tax Credit Worksheet for Corporations

General Instructions

Note: MRS may request additional information supporting the credit claimed before the return can be processed.

The Dirigo Business Incentives Tax Credit (DTC) is available to qualified businesses engaged in qualified business activities in the State that invest in eligible business property or qualified employee training programs. Qualified businesses must be certified by the Maine Department of Economic and Community Development (DECD). The credit is equal to five or ten percent of the business's eligible capital investment placed in service in Maine, depending on the location of the qualified property, plus \$2,000 for each qualified employee that completes a qualified employee training program during the tax year. Other limitations apply. See below for more information.

In the case of pass-through entities (such as partnerships, LLCs, S corporations, estates and trusts), the partners, members, shareholders, beneficiaries, or other owners are allowed a credit in proportion to their pro rata share in these entities.

The annual credit is generally limited to \$2,000,000 of which up to \$500,000 may be refundable. In the case of corporations that are members of an affiliated business group engaged in a unitary business, the credit limit of \$2,000,000 and the refundable credit limit of \$500,000 must be prorated among the taxable corporations in the affiliated business group that are qualified businesses in the same proportion that the tax liability of each taxable corporation in the affiliated business group bears to the total liability of all the taxable corporations in the affiliated business group.

Corporate Affiliated Business Ratio. A qualified business that is a corporation and is a member of an affiliated business group engaged in a unitary business must determine its corporate affiliated business ratio. See the worksheet, lines 4 through 6.

Who must complete this worksheet? A corporation that is a qualified business or is a member of one or more pass-through entities (PTEs) that are qualified businesses must complete this worksheet to calculate the DTC for the tax year. A corporation that is a member of one or more PTEs that are qualified businesses must complete a separate worksheet to calculate its share of the DTC attributable to each PTE.

In the case the credit is claimed by a partner(s) operating under a different tax year than the qualified business, the credit must be claimed by the partner in the partner's tax year during which the partnership's tax year generating the credit ends.

Required Information. Prior to completing this worksheet, each qualified business must complete and file Schedules QB and QB-1 to report information about eligible investments, qualified training programs, and other information necessary to complete this worksheet. For more information, contact the qualified business generating the credit.

In the case of a qualified business operating as a pass-through entity, the pass-through entity must provide certain information to its members to facilitate proper calculation of the credit, credit limitations, and, if applicable, the recapture and disallowance of the credit. The pass-through entity must, at a minimum, provide the following information to its members:

- (1) The certification number issued by DECD to the qualified business;
- (2) The total qualified business credit;
- (3) In the case of a qualified business that is a partnership or S corporation that is an affiliated business, the affiliated business ratio;
- (4) In the case of a layoff within the five-year period following the date property was placed in service, notice to its members that a layoff has occurred as defined by 36 M.R.S. § 5219-AAA(1)(I) and that the member may be subject to credit carryover disallowance. The notice must include information necessary to determine the amount of disallowance, including the date the layoff threshold was met; and
- (5) Notice informing each member that eligible business property was removed from service during a tax year prior to the end of the 5-year period the property was required to be used exclusively in a qualified business activity. The notice must contain sufficient information to assist the pass-through entity's members in determining the amount of any credit recapture.

Specific Instructions

Enter the name and federal employer identification number (EIN) of the taxable corporation claiming the credit. Also enter the name and EIN or social security number (SSN) of the qualified business.

DECD Certification Number. Enter the certification number issued to the qualified business by DECD. This information must be provided to the corporation by the qualified business.

Line A. Pro rata share of qualified business: If the qualified business is one of the entities listed below of which the corporation is an owner or beneficiary, enter the corporation's pro rata share. Otherwise, enter 1.0000.

- **Partnership.** A partner's pro rata share is that partner's percentage interest in the taxable income/loss of the partnership for federal income tax purposes for the tax year.

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Specific Instructions - continued

- **S corporation.** An S corporation shareholder's pro rata share is the shareholder's percentage share of stock of the S corporation as of the end of the taxable year.
- **Estate or Trust.** A beneficiary's pro rata share is the beneficiary's share of federal distributable net income of the estate or trust or, if the estate or trust has no distributable net income, the beneficiary's share of the estate or trust income required to be distributed and any income actually distributed in that year.

Line 1. Enter the first tax year the corporation claimed, or could have claimed, the DTC under the certificate number identified at the top of the worksheet.

Line 2. Enter the total credit for the qualified business for tax year 2025. This must be provided to you by the qualified business.

Line 3. To calculate your pro rata share of the total qualified business credit, multiply your pro rata share from line A by the total qualified business credit on line 2. The amount on line 3 is your pro rata share of the total credit for the qualified business listed on this worksheet for tax year 2025.

Lines 4, 5, and 6. If the corporation completing this worksheet is the qualified business and is also a member of an affiliated group of qualified businesses engaged in a unitary business, complete lines 4, 5 and 6 based on the instructions to calculate the tax liability ratio below. If the corporation is claiming a Dirigo tax credit that is passed through from a pass-through entity that is a qualified business and is an affiliated member of an affiliated business group, skip lines 4 and 5, and enter the affiliated business ratio provided to you

by the pass-through entity on line 6. Otherwise, skip lines 4 and 5 and enter 1.0000 on line 6.

Line 4. If the corporation is a qualified business and is a member of an affiliated group of qualified businesses engaged in a unitary business, enter the Maine tax liability for this corporation. To determine this corporation's portion of the Maine tax liability reported on Form 1120ME, line 6c, divide the Maine net income of this corporation by the Maine net income of the entire group of corporations included in the return and multiply the resulting ratio by the tax liability reported on Form 1120ME, line 6c.

Line 5. If the corporation is a qualified business and is a member of an affiliated business group engaged in a unitary business, enter the Maine tax liability of all qualified taxable corporations of the affiliated business group. To determine the portion of the Maine tax liability reported on Form 1120ME, line 6c attributable to the affiliated group of qualified corporations, divide the Maine net income of all qualified affiliated corporations included in the return by the Maine net income of the entire group of corporations included in the return and multiply the resulting ratio by the tax liability reported on Form 1120ME, line 6c.

Line 14. If completing more than one worksheet, enter the sum from lines 14 on all DTC worksheets, but not more than \$500,000, on Form 1120ME, Schedule C, line 2d.

Line 15. If completing more than one worksheet, enter the sum from lines 15 on all DTC worksheets, but not more than \$1,500,000, on Form 1120ME, Schedule C, line 1p.