



2025 Student Loan Repayment Tax Credit Worksheet

for Maine Resident & Part-year Resident Individuals
36 M.R.S. § 5217-E
Enclose with Form 1040ME.



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Note: If this is the first year you are claiming this credit and the documentation has not been previously provided, you **must** include a complete copy of your college transcript, proof of the educational loans that qualify for the credit, and proof of the educational loan payments you paid directly to the lender during the tax year. Maine Revenue Services may request additional documentation supporting your claim in subsequent tax years.

Name of Taxpayer (Graduate)	Graduate's Social Security Number
<input type="text"/>	<input type="text"/>

Lines A - C. Check the type of degree you received for which you made loan payments during 2025.

A. <input type="checkbox"/> Bachelor's	D. Date you graduated: <input type="text"/>
B. <input type="checkbox"/> Associate	E. State or country where the college or university is located (enter the two-digit state or country abbreviation): <input type="text"/>
C. <input type="checkbox"/> Graduate	

1. Enter the amount of <u>your</u> earned income that is included in the federal gross income reported on federal Form 1040, line 9. See instructions..... 1.	<input type="text"/>	.00
If less than \$13,712, stop here; you cannot claim the student loan repayment tax credit.		
2. Eligible payments. Enter the amount of eligible education loan payments <u>you</u> made directly to the lender during the 2025 tax year..... 2.	<input type="text"/>	.00
3. Enter the carryforward of unused educational opportunity tax credit amounts from tax years 2015 through 2021..... 3.	<input type="text"/>	.00
4. Line 2 plus line 3..... 4.	<input type="text"/>	.00
5. Refundable credit. Enter the smaller of line 4 or \$2,500. Enter the total here and on Form 1040ME, Schedule A, line 5. 5.	<input type="text"/>	.00

Note: MRS may request additional information supporting the credit claimed before processing the return.

2025 Student Loan Repayment Tax Credit Worksheet for Maine Resident & Part-year Resident Individuals - Instructions

This worksheet and the related instructions are for individual taxpayers who have made eligible education loan payments directly to the lender during the tax year and/or have unused educational opportunity tax credit amounts carried forward from prior tax years that do not exceed the 10-year carryforward limit.

The student loan repayment tax credit ("SLRTC") replaces the repealed educational opportunity tax credit ("EOTC"). The SLRTC is a component of the Job Creation through Educational Opportunity program, which began in 2008. The purpose of the program is to provide an income tax credit for Maine resident taxpayers who are making eligible education loan payments on loans that are part of the financial aid package; that is, loans obtained to earn an undergraduate degree (associate or bachelor's) or a graduate degree from an accredited Maine or non-Maine community college, college, or university after 2007, and who, after graduation, have earned income and live and file taxes in Maine.

Eligible education loan payments are payments made directly to the lender by a qualified individual for public and private education loans that are part of the financial aid package.

- Only eligible education loan payments made during the part of the tax year in which you were a resident of Maine qualify for the credit.
- Payments made on a refinanced eligible education loan qualify for the credit as long as the refinanced loan remains separate from any other debt incurred, except for other educational loans.
- Loans obtained from a person related to the qualified individual or from any qualified employer plan or from any loan made under a contract purchased under a qualified employer plan do not qualify for the credit.
- Loan payment(s) refunded by the lender are not considered to have been paid for purposes of the SLRTC. If you have filed a Maine individual income tax return and claimed the SLRTC based on educational loan payments that have been refunded, you must file an amended Maine individual income tax return to reduce the amount of the credit claimed.

For **tax year 2025**, a **qualified individual** is one who:

- Obtained an associate, bachelor's, or graduate degree after 2007 from an accredited Maine or non-Maine community college, college, or university;
- Is a Maine resident (as defined in 36 M.R.S. § 5102(5)) during the tax year; and
- Had earned income of at least \$13,712 during the tax year.

Married taxpayers: If both spouses are qualified individuals, both may claim the credit on a married-joint return. A separate worksheet must be completed for each qualified individual based on their earned income and eligible education loan payments made directly to the lender.

For tax year 2025, the refundable credit is equal to eligible education loan payments plus the amount of unused EOTC amounts* carried forward from prior tax years that does not exceed the 10-year carryforward limit, up to \$2,500 (up to \$25,000 lifetime). Note: that the one-time increase in the annual maximum credit allowed to be claimed for tax year 2022 or 2023, up to \$1,000, does not apply against the \$25,000 lifetime credit limit.

*Unused EOTC carryforward amounts may be claimed only for tax years beginning before January 1, 2027.

SPECIFIC INSTRUCTIONS

Degree information. Check box A, B, or C to indicate the type of degree you received.

Line 1. Enter the amount of your "earned income" that is included in the federal gross income reported on federal Form 1040, line 9. Earned income includes wages, salaries, tips, and other employee compensation, but only if the amounts are includible in gross income for the taxable year. If self-employed, include the net earnings from self-employment for the taxable year determined with regard to the deduction for one-half of self-employment taxes. Do not include income earned by another person, including your spouse, if married.

Line 2. Enter on line 2 the amount of eligible education loan payments you made directly to the lender during the 2025 tax year. Do not enter loan payments made by another person. Do not enter loan payment amounts refunded to you by the lender during the tax year. If loan payment(s) are refunded to you by the lender in a subsequent tax year, you must file an amended Maine income tax return to remove those payments from the calculation of the credit.

2025 Student Loan Repayment Tax Credit Worksheet for Maine Resident & Part-year Resident Individuals - Instructions, continued

Line 3. Carryforward of unused educational opportunity tax credit from tax years 2015 through 2021. Enter the amount of any unused EOTC* from tax years 2015 through 2021 that does not exceed the 10-year carryforward limit. If this is the first year you are claiming the credit, enter zero.

*Unused EOTC may include eligible nonrefundable EOTC claimed for tax year 2015, for non-STEM associate and bachelor's degrees; or, for tax years 2015 through 2021, for non-STEM bachelor's degrees and all graduate degrees to the extent the EOTC exceeded your tax due for the same tax year.

Line 5. The maximum annual student loan repayment tax credit is \$2,500 (up to \$25,000 lifetime) per qualified individual. Note: The one-time increase in the annual maximum credit allowed to be claimed for tax year 2022 or 2023, up to \$1,000, does not apply against the \$25,000 lifetime credit limit.

SUPPORTING DOCUMENTATION. If this is the first year you are claiming the SLRTC and the documentation has not been previously provided, MRS requires the following documents be included with your Maine individual income tax return (Form 1040ME) and completed Student Loan Repayment Tax Credit Worksheet:

- A complete copy of the college transcript that lists the name of the degree, classes completed and date obtained;
- Documentation of the educational loans that qualify for the credit; and,
- Documentation showing the actual student loan payment amounts paid during the tax year.

Once these facts are supported in the first year, documentation on these items will generally not be required by MRS again in future years. However, documentation may be requested after the first year related to actual loan payments made during the year and on employment status.