



MAINE TAX ALERT

A Publication of Maine Revenue Services (“MRS”) for Tax Professionals

Volume 33, Issue 6

April 2023 - #2

MRS Policy Clarification – Maine Estimated Tax: Overpayment of Tax Applied to Subsequent Estimated Tax

Maine taxpayers filing an annual individual income, fiduciary income, or corporate income tax, franchise tax, or an insurance premiums tax return for which an overpayment of Maine income tax has been made, may elect to receive a refund of the overpayment. Alternatively, taxpayers may elect to apply the overpayment as an estimated tax payment to the subsequent tax year.

Pursuant to 36 M.R.S. § 5276(4), the “assessor may provide for the crediting against the estimated income tax for any taxable year of an overpayment of the income tax for a preceding taxable year.” To clarify MRS policy on how the overpayment is credited, the overpayment of tax will be applied to the estimated payments due for the following tax year, starting with the first estimated payment due on or after the date of the payment(s) resulting in the overpayment.

Example #1: Taxpayer ABC is a calendar-year corporate taxpayer that must file an original 2022 Maine Form 1120ME by April 18, 2023. For tax year 2022, Taxpayer ABC made four timely estimated tax payments of \$250 on each respective due date of April 19, June 15, September 15, and December 15 of 2022. Taxpayer ABC files the 2022 Maine Form 1120ME on extension on October 15, 2023, resulting in an overpayment of \$250. Taxpayer ABC properly elects to carry forward the \$250 overpayment to tax year 2023 estimated payments. The \$250 overpayment for tax year 2022 is a result of the December 15, 2022 estimated payment, which was prior to the 2023 first quarter estimated payment due date of April 18, 2023. Therefore, despite the Taxpayer filing on extension on October 15, 2023, MRS will apply the \$250 overpayment from December 15, 2022 as a timely 2023 first quarter estimated tax payment made on April 18, 2023.

Example #2: Assume the same facts as Example 1, except Taxpayer ABC made a single payment of \$1,000 on May 15, 2023 for tax year 2022, instead of making any of the four 2022 timely estimated tax payments. Now the \$250 overpayment is a result of the single \$1,000 payment made on May 15, 2023, which was after the 2023 first quarter estimated payment due date of April 18, 2023, but before the 2023 second quarter estimated payment due date of June 15, 2023. Therefore, instead of applying the \$250 overpayment to the 2023 first quarter estimated tax payment due on April 18, 2023, MRS will now apply the \$250 overpayment on May 15, 2023 as a timely 2023 second quarter estimated tax payment due on June 15, 2023.

For questions about Maine estimated tax payments, contact MRS at (207) 626-8475, between 9 a.m. and 12 noon, Monday through Friday (state holidays excepted) or visit the MRS website at www.maine.gov/revenue.

MRS Announces Staff Change

MRS is pleased to announce that, effective April 24, 2023, Meg Hodgkins will serve as the new Acting Director of the Property Tax Division. Meg joined MRS in 2022, serving as a Tax Policy Analyst. Meg started her career in New York City at the Big Four accounting firm, KPMG. Meg also has several years of experience in consulting and practicing in state and federal tax law. A graduate of Colby College and the University of Maine School of Law, Meg also earned her LL.M. in Taxation from New York Law School.

The Maine Tax Portal is Here! Maine I-File, EZ-Pay, and MEETRS for Business Taxes Deactivated Soon

The Maine Tax Portal, Maine Revenue Services' new online system, is now open for you and many of your business clients to file, pay, and manage state taxes. The Maine Tax Portal is replacing I-File, EZ-Pay, and MEETRS for certain business taxes, which **will be deactivated on May 31, 2023**. After May 31, the Maine Tax Portal will be the only way to electronically file Maine business taxes online.

It is imperative that you and your eligible clients go to revenue.maine.gov, create a username, and begin using the Maine Tax Portal to file, manage and pay your Maine business taxes. A list of the business taxes and programs that are eligible for use on the Maine Tax Portal are listed at maine.gov/revenue/portal.

Careers and Internships at MRS

MRS's mission is to fairly and efficiently administer the State's tax laws with integrity and professionalism.

MRS is looking for smart, motivated, and team-oriented people to join our team. Benefits include:

- Qualifying employer for federal student loan forgiveness
- Tuition reimbursement for continuing education (including CPA exam)
- Public service
- Competitive salary
- MainePERS retirement plan and deferred compensation
- Generous insurance and paid leave (including all state holidays)
- Flexible spending accounts and longevity pay
- Gym membership reimbursement

Regularly posted, full-time positions at MRS include the Tax Examiner and Revenue Agent positions. Click the following link for more information about these positions:
<https://apps.web.maine.gov/cgi-bin/bhrssalary/jobs.pl>.

Click the following link for more information about careers and paid internships and to sign up to receive notifications of new MRS job openings: www.maine.gov/revenue/careers.

Fraud Alert

If you believe you are a victim of identity theft or that a breach of personally identifiable information has occurred, contact MRS at (207) 624-7658 or email fraudalert.mrs@maine.gov as soon as possible. Timely notification assists MRS in preventing fraudulent tax refunds.

<u>Department</u>	<u>Telephone Numbers</u>	<u>FAX Numbers</u>	<u>E-mail Addresses</u>
Taxpayer Contact Center	(207) 624-9784	(207) 287-6975	taxpayerassist@maine.gov
Central Registration	(207) 624-9784	(207) 287-6975	taxpayerassist@maine.gov
Collections & Compliance	(207) 624-9595	(207) 287-6627	compliance.tax@maine.gov
Corporate Tax	(207) 624-9670	(207) 624-9694	corporate.tax@maine.gov
E-file Help Desk (1040 ONLY)	(207) 624-9730	(207) 287-6628	efile.helpdesk@maine.gov
Electronic Funds Transfer	(207) 624-9784	(207) 287-6975	efunds.transfer@maine.gov
Estate & Fiduciary Tax	(207) 626-8480	(207) 624-9694	estatetax@maine.gov
Fuel & Special Taxes	(207) 624-9609	(207) 287-6628	fuel.tax@maine.gov
Forms Request Line	(207) 624-7894		
Individual Income Tax Assistance	(207) 626-8475	(207) 624-9694	income.tax@maine.gov
Insurance Premium Tax	(207) 624-9753	(207) 624-9694	
NexTalk (TTY Service)	(888) 577-6690		
Payment Plan/Income Tax	(207) 621-4300	(207) 621-4328	compliance.tax@maine.gov
Payment Plan/Other	(207) 624-9595	(207) 287-6627	compliance.tax@maine.gov
Practitioners' Hotline	(207) 626-8458	(207) 624-9694	
Property Tax	(207) 624-5600	(207) 287-6396	prop.tax@maine.gov
Public Communications	(207) 626-8478	(207) 624-9694	
Sales Tax	(207) 624-9693	(207) 287-6628	sales.tax@maine.gov
Tax Clearance Letters	(207) 624-9595	(207) 287-6627	
Office of Tax Policy	(207) 624-9677	(207) 287-3618	
Taxpayer Advocate	(207) 624-9649	(207) 287-3618	taxpayer.advocate@maine.gov
Withholding Tax	(207) 626-8475	(207) 624-9694	withholding.tax@maine.gov
Tax Violations Hot Line	(207) 624-9600		

This publication is designed to keep taxpayers, tax practitioners and the general public informed of developments, problems, questions and matters of general interest concerning Maine tax law, policy, and procedure. The articles in this newsletter are not designed to address complex issues in detail, and they are not a substitute for Maine tax laws and/or regulations.

Suggestions for the Tax Alert?

Please contact:
Maine Revenue Services
PO Box 1060
Augusta, Maine 04332-1060