



# MAINE TAX ALERT

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

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## MRS Rulemaking Activity Proposed Rule Amendments

**Rule 104, “Filing of Maine Tax Returns.”** Rule 104 describes the requirements for filing certain Maine tax returns, including electronic filing requirements. This proposed amendment would impose an electronic filing requirement on certain taxpayers and tax return preparers filing Form REW-5 (Request for Exemption or Reduction in Withholding of Maine Income Tax on the Disposition of Maine Real Property) on or after July 1, 2025, Maine income tax returns for trusts and estates after 2025, and partnership reports of federal adjustments after 2025. A waiver from the electronic filing requirement may be obtained if the requirement causes undue hardship. Other formatting and technical changes are made throughout to enhance clarity. Comments on the proposed changes for Rule 104 are due by **January 28, 2025**.

**Rule 301, “Sales for Resale and Sales of Packaging Materials.”** Rule 301 establishes procedures for making sales for resale, including leases or rentals and certain sales to service providers, and sales of packaging materials without collecting sales tax, and sets forth requirements for certification of such sales. This proposed amendment would conform Rule 301 with statutory changes in P.L. 2023, c. 643, Pt. H and P.L. 2023, c. 673 (generally imposing sales tax on leases and rentals), and make other minor technical language changes. Comments on the proposed changes for Rule 301 are due by **February 4, 2025**.

**Rule 318, “Instrumentalities of Interstate or Foreign Commerce.”** Rule 318 explains the application of the exemption from sales or use tax for a vehicle, railroad rolling stock, aircraft or watercraft used by the purchaser or lessee in interstate or foreign commerce. This proposed amendment would conform Rule 318 with statutory changes in P.L. 2023, c. 643, Pt. H and P.L. 2023, c. 673 (generally imposing sales tax on leases and rentals), and make other minor technical language changes. Comments on the proposed changes for Rule 318 are due by **February 4, 2025**.

The proposed rules are available on MRS’s website, at [maine.gov/revenue/publications/rules](https://maine.gov/revenue/publications/rules), under “Current MRS Rulemaking Activity.” All comments must be directed to Alex Weber, General Counsel, either by email at [alexander.j.weber@maine.gov](mailto:alexander.j.weber@maine.gov) or by mail at Maine Revenue Services, P.O. Box 1060, Augusta, ME 04332-1060.

## Pass-Through Entity Composite Filing – Form 1040C-ME

As previously announced in the August 2023 - #2 issue of the Maine Tax Alert, for tax years beginning on or after January 1, 2023, pass-through entities filing Maine composite income tax returns on behalf of nonresident partners/shareholders must use **Form 1040C-ME and related**

**schedules.** Affected entities may no longer use the Maine individual income tax Form 1040ME to file a composite return. MRS is not able to process returns filed or refunds requested on incorrect and/or substitute forms.

Form 1040C-ME may be filed electronically using the Maine Tax Portal. For more information, visit [revenue.maine.gov](https://revenue.maine.gov).

The 2024 Maine composite income tax return (Form 1040C-ME) is due April 15, 2025, for calendar-year filers.

## **Maine Tax Portal (MTP), Free Training Available**

Sign up today for **free** webinar training offered by MRS. Live training for Retail Dealers Gasoline Shrinkage will be presented on January 23, 2025 at 10:00am and on January 30, 2025 at 2:00pm.

To register for live webinar training, or to view other pre-recorded instructional videos, visit [maine.gov/revenue/mtpwebinarschedule](https://maine.gov/revenue/mtpwebinarschedule).

## **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: [maine.gov/revenue/careers](https://maine.gov/revenue/careers)

**MRS Contact Information:**

A complete list of MRS contact information is available at [maine.gov/revenue](http://maine.gov/revenue).

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.

**To report issues with the Maine Tax Alert, contact:**  
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