



MAINE TAX ALERT

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2026 Maine Tax Law Changes

A summary of Maine tax law changes enacted by the Second Regular Session of the 132nd Legislature is available at maine.gov/revenue/sites/maine.gov.revenue/files/inline-files/legischange26.pdf.

The summary includes general administrative changes as well as provisions for Individual, Corporate, and Fiduciary Income Taxes; Franchise Tax; Pass-through Entity Tax; Insurance Premiums Tax; Sales, Use and Special Taxes; and Property Tax.

Affordability Payment Program Announced

As a result of the recently enacted supplemental budget (Public Law 2026, [Chapter 650](#)), the Affordability Payment Program will send \$300 checks to an estimated 514,000 Maine residents who are considered to be disproportionately affected by Maine sales and excise taxes. Payments will be issued beginning in late July 2026.

Who is eligible for the \$300 payment?

An eligible recipient is an individual who:

- ✓ Files a 2025 Maine individual income tax return by October 15, 2026, as a full-year Maine resident;
- ✓ May *not* be claimed as a dependent on another taxpayer's income tax return for the tax year; and
- ✓ Must have federal adjusted gross income (FAGI) for the 2025 tax year of *less than*:
 - \$100,000 for individuals filing married joint returns or surviving spouses permitted to file a joint return;
 - \$75,000 for an individual filing as a head of household; or
 - \$50,000 for a single individual or a married individual filing a separate return.

What about those who do not normally need to file a Maine tax return?

Individuals must file their 2025 Maine individual income tax return by October 15, 2026, to qualify for the payment. The \$300 payment is available whether or not Maine income tax is owed, including for those who receive social security and/or supplemental security income (SSI), so long as they meet the other eligibility criteria.

Form 1040ME may be filed electronically using the Maine Tax Portal at: revenue.maine.gov.

Forms are available at maine.gov/revenue/tax-return-forms. If filing on paper, those with no taxable income may check Box A and complete lines 1-13a on the Maine Individual Income Tax Form [1040ME \(PDF\)](#) and complete the appropriate sections of [Schedule PTFC/STFC \(PDF\)](#) to qualify.

Maine residents may be eligible for up to \$2,280 in additional tax relief through the Property Tax Fairness Credit and/or the Sales Tax Fairness Credit Programs. In general, the Property Tax Fairness Credit is available to certain Maine resident property owners and renters who pay more than 4 percent of their household income on property taxes or rent equivalent with incomes of less than \$102,500 and the Sales Tax Fairness Credit is available to certain Maine residents with incomes of less than \$63,950. Individuals may also qualify for the Maine Earned Income Tax Credit. These tax credits may be claimed on the 2025 Maine individual income tax return by those who meet eligibility criteria and are applied dollar-for-dollar against any tax liability with the remainder issued as part of a refund check.

Where can I get more information about the Affordability Payment Program?

Frequently asked questions can be viewed at maine.gov/revenue/affordability.

For further assistance, please call the affordability payment assistance line at (207) 624-9924 or email Affordability.MRS@maine.gov.

Individuals qualified for free tax preparation assistance may schedule an appointment by contacting: **the AARP Foundation Tax-Aide Program** at aarp.org/money/taxes/aarp-taxaide, or email MaineTaxAide@gmail.com, or call 888-AARPNOW (888-227-7669); the **Ca\$h Coalition of Maine** at cashmaine.org/free-tax-prep; or call 2-1-1.

MRS Rulemaking Activity Proposed Rule

MRS Rule 104, “Filing of Maine Tax Returns.” MRS is proposing to amend MRS Rule 104 to add any tax return and tax return schedules and worksheets for which MRS provides a program of electronic filing or electronic data submission to the list of forms that are subject to the electronic filing mandate. The Rule also proposes to impose an electronic filing requirement beginning in 2026 on certain taxpayers and tax return preparers filing fuel tax or cigarette tax refund applications and, beginning in 2027, that file mining excise tax or composite income tax forms. The Rule removes service provider and initiator of deposit tax returns from the list of returns that are required to be filed electronically. Other technical changes are made to the Rule to enhance clarity. Comments on the proposed changes for MRS Rule 104 are due by **July 24, 2026**.

The proposed Rule is available on MRS’s website, at 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 or by mail at Maine Revenue Services, P.O. Box 1060, Augusta, ME 04332-1060.

MRS Rulemaking Activity

Adopted Rule

MRS Rule 207, “Controlling Interest Transfers.” Effective June 30, 2026, MRS has adopted amended MRS Rule 207 to remove references to now-repealed tax rates (*see* P.L. 2025, c. 388), clarify provisions relating to administration of the tax for multi-transfer transactions, and make other clarifying and technical changes.

The adopted MRS Rule is available on the MRS website, at maine.gov/revenue/publications/rules.

MRS Reminder – Electronic Filing and Payment Requirements

MRS Rule 104, “Filing of Maine Tax Returns,” requires tax returns filed by individuals, estates and trusts, and businesses to be filed electronically. This includes any Maine return for which MRS provides a program for electronic filing or electronic data submission. For more information about Maine electronic filing requirements, see MRS Rule 104 at maine.gov/revenue/publications/rules.

MRS Rule 102, “Electronic Funds Transfer,” requires taxpayers with a combined annual tax liability for all taxes that is \$10,000 or more to pay electronically. For more information about electronic payment requirements, see MRS Rule 102 at maine.gov/revenue/publications/rules.

The Maine Tax Portal (MTP) provides the functionality for all Maine taxes administered by MRS to be filed online and allows Maine taxpayers and tax practitioners to make online payments, view bills and notices, and maintain Maine tax accounts. Taxes and programs supported by the MTP include, but are not limited to:

- Individual income tax, composite income tax, fiduciary income tax, corporate income tax, employment tax increment financing reimbursement program, estate tax, franchise tax, income tax withholding, insurance taxes (premiums, fire, non-admitted), partnership audit, pass-through entity withholding, private venture seed capital credit program, real estate withholding, and visual media production reimbursement program.
- Sales tax, use tax, service provider tax, blueberry tax, cannabis excise tax, cigarette tax, fuel taxes, healthcare provider tax, hospital tax, initiator of deposit tax, mahogany quahog tax, milk handling tax, potato tax, railroad excise tax, and tobacco taxes.
- Business equipment tax reimbursement (BETR) program, commercial forestry excise tax, real estate transfer tax, telecommunications excise tax, and property tax in the unorganized territory.

Free Webinar for Form 700-SOV and Form 706ME (Estate Tax)

Join us on August 18, 2026, from 10:00am to 11:00am for this free estate tax webinar, which provides important training for practitioners who prepare either paper or electronic Maine Forms 700-SOV and 706ME.

Visit maine.gov/revenue/mtpwebinarschedule to register today!

2026 State Tax Symposium

Registration is open! The annual State Tax Symposium will take place virtually, on Wednesday, September 23, 2026, from 8:00am to 4:00pm. This one-day event will cover recent Maine tax updates and current agency highlights.

To register, visit [State Tax Symposium 2026 Tickets](#). For more information or to view prior symposium presentations, visit maine.gov/revenue/symposium.

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: 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.

MRS Contact Information:

A complete list of MRS contact information is available at 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.

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