

**2012 MAINE MINIMUM TAX CREDIT AND CARRYFORWARD TO 2013**

**Worksheet for 1041ME, Schedule A, Line 9**

Enclose a copy of 2012 federal Form 8801



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\*1109102\*

Name of Estate/Trust (as shown on Form 1041ME)	Estate/Trust EIN  _____ - _____
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**New for 2012.** For tax years beginning on or after January 1, 2012, the Maine minimum tax is repealed for non-corporate taxpayers. However, any unused Maine minimum tax credit from tax years beginning prior to 2012 may be claimed until exhausted.

1. Enter the amount from the 2011 Form 1041ME, Schedule A, line 2c ..... 1 \_\_\_\_\_
  2. Minimum tax credit carryforward from 2011 (2011 Maine Minimum Tax Worksheet, line 21) ..... 2 \_\_\_\_\_
  3. Enter 2011 net state minimum tax on federal exclusion items – From the Maine Minimum Tax - Exclusion Items Worksheet below ..... 3 \_\_\_\_\_
  4. 2011 adjusted net state minimum tax (Line 1 plus line 2 minus line 3 – if zero or less, enter zero)..... 4 \_\_\_\_\_
  5. Enter 2012 Maine income tax liability (2012 Form 1041ME, line 6 excluding minimum tax credit)..... 5 \_\_\_\_\_
  6. **Maine minimum tax credit:** Enter the lesser of line 4 or line 5 here and on Form 1041ME, Schedule A, line 9..... 6 \_\_\_\_\_
  7. **Maine minimum tax credit carryforward to 2013** (Subtract line 6 from line 4)..... 7 \_\_\_\_\_
- NOTE:** If you have a Maine minimum tax credit carryforward to 2013, keep a copy of the worksheet to submit with your 2013 Maine estate or trust income tax return.

**Maine Minimum Tax — Exclusion Items Worksheet for Line 3 above**

Complete the following worksheet to compute the Maine minimum tax on exclusion items, line 3 above:

- a. Enter amount from 2012 federal Form 8801, line 4..... a. \_\_\_\_\_
- b. Modifications - Enter line 3 from the Maine Minimum Tax Income Modification Worksheet below.  
Add income treated as exclusion items subject to Maine income tax that is not subject to federal income tax.  
Subtract income treated as exclusion items that Maine or federal law prohibits from state taxation.  
 Include only amounts not already added or subtracted in calculating federal alternative minimum taxable income.  
 (May be a positive or negative number) ..... b. \_\_\_\_\_
- c. Combine line a and line b. If zero or less, enter zero ..... c. \_\_\_\_\_
- d. **Exemption.** Enter amount from 2012 federal Form 8801, line 9 ..... d. \_\_\_\_\_
- e. Line c minus line d..... e. \_\_\_\_\_
- f. Apportionment factor. Maine resident estates & trusts enter 100%. **Nonresident estates & trusts, see instructions\*** ..... f. \_\_\_\_ . \_\_\_\_ %
- g. Multiply line e by line f ..... g. \_\_\_\_\_
- h. Effective tax rate. Divide line 8 of the 2011 Maine Minimum Tax Worksheet by line 7 of the 2011 Maine Minimum tax worksheet ..... h. \_\_\_\_ . \_\_\_\_ %
- i. 2011 Maine minimum tax on exclusion items (Multiply line g by line h) ..... i. \_\_\_\_\_
- j. 2011 Maine income tax (2011 Form 1041ME, line 4) ..... j. \_\_\_\_\_
- k. Alternative Maine minimum tax on exclusion items (Line i minus line j). If zero or less, enter zero ..... k. \_\_\_\_\_
- l. Credit against the Maine minimum tax on exclusion items for minimum tax paid to other taxing jurisdictions on exclusion items (For Maine resident estates/trusts only). Enter line E from the Maine Minimum Tax - Worksheet for line l below..... l. \_\_\_\_\_
- m. 2011 Maine minimum tax on exclusion items (Line k minus line l. If zero or less, enter zero. Enter the result here and on line 3 of the Maine Minimum Tax Credit and Carryforward Worksheet above) ..... m. \_\_\_\_\_

**\*Apportionment factor for Nonresident estates/trusts** (line f above) – The factor is the amount of the taxpayer’s Maine-source income associated with the adjusted minimum taxable income on exclusion items (line c above) divided by the total adjusted minimum taxable income on exclusion items (line c above).

**Maine Minimum Tax — Income Modification Worksheet for line b of the Exclusion Items Worksheet above**

**1. ADDITIONS to federal alternative minimum taxable income.**

- a. Income from municipal and state bonds, other than Maine to the extent not included in FAMTI above ..... **1a.** \_\_\_\_\_
- b Net Operating Loss Adjustment (See instructions. Attach a schedule showing your calculation) ..... **1b.** \_\_\_\_\_
- c Maine Public Employees Retirement System Contributions ..... **1c.** \_\_\_\_\_
- d Domestic Production Activities Deduction Add-back (See instructions) ..... **1d.** \_\_\_\_\_
- e Bonus Depreciation Add-back to the extent deducted in arriving at FAMTI (See instructions) ..... **1e.** \_\_\_\_\_
- f Maine Capital Investment Credit Bonus Depreciation Add-Back ..... **1f.** \_\_\_\_\_
- g Other (See instructions). List the type and amount of income items included (attach a separate schedule, if necessary) \_\_\_\_\_ **1g.** \_\_\_\_\_
- h **Total additions** (Add lines 1a through 1g)..... **1h.** \_\_\_\_\_

**2. SUBTRACTIONS from federal alternative minimum taxable income.**

- a U.S. Government Bond interest included in FAMTI above..... **2a.** \_\_\_\_\_
- b Social Security and Railroad Retirement Benefits included in FAMTI above..... **2b.** \_\_\_\_\_
- c Interest from Maine Municipal General Obligation, Private Activity & Airport Authority Bonds included in FAMTI (See federal Form 6251, line 12) ..... **2c.** \_\_\_\_\_
- d Maine Public Employees Retirement System Pick-Up Contributions paid to the taxpayer during 2011 which have been previously taxed by the state..... **2d.** \_\_\_\_\_
- e Contributions to Qualified Tuition Programs - 529 Plans (See instructions)..... **2e.** \_\_\_\_\_
- f Bonus Depreciation Recapture (See instructions) ..... **2f.** \_\_\_\_\_
- g Other (See instructions). List the type and amount of income items included (attach a separate schedule, if necessary) \_\_\_\_\_ **2g.** \_\_\_\_\_  
(**Nonresident Estates or Trusts** - Do not enter non-Maine income)
- h **Total Subtractions** (Add lines 2a through 2g)..... **2h.** \_\_\_\_\_

- 3. **Net Modification** (Subtract line 2h from line 1h — enter here and on line b of the Exclusion items Worksheet above [May be a negative amount])..... **3.** \_\_\_\_\_

**Maine Minimum Tax - Worksheet for line l of the Exclusion Items Worksheet above – Maine resident estates/trusts only**

- A. Taxpayer's Maine tentative alternative minimum taxable income on exclusion items (from line c of the Exclusion Items Worksheet above) ..... **A.** \_\_\_\_\_
- B. Amount included in line A above that was derived from other jurisdiction in 2011 ..... **B.** \_\_\_\_\_
- C. Percentage of income taxed by other jurisdiction (Divide line B by line A)..... **C.** \_\_\_\_\_ %
- D. Limitation of Credit:
  - 1. Net state minimum tax on exclusion items from line k of the Exclusion Items Worksheet above  
 \$ \_\_\_\_\_ multiplied by \_\_\_\_\_ % on line C..... **D1.** \_\_\_\_\_
  - 2. 2011 Minimum tax on exclusion items paid other jurisdiction on income taxed under the Maine minimum tax ..... **D2.** \_\_\_\_\_
- E. Allowable credit, the smaller of line D(1) or D(2). Enter here and on line l of the Exclusion Items Worksheet above ..... **E.** \_\_\_\_\_

## MAINE MINIMUM TAX INSTRUCTIONS — Income Modification Worksheet for Line b

**Line 1. ADDITIONS to federal alternative minimum taxable income.** *Also include the taxpayer's distributive share of addition modification items from partnerships and S Corporations where applicable.* Enter only amounts not already added in calculating 2011 federal alternative minimum taxable income.

For lines 1a through 1f, enter only the estate/trust share (Form 1041, Schedule 2, column 3, line f) of the total amount shown on the applicable line.

**Line 1a. Enter 2011 income from municipal and state bonds, other than Maine,** that is not included in the Exclusion Items Worksheet, line a. Generally, this is the amount from 2011 Form 1041ME, Schedule 1, line 1a. For example, enter interest from City of New York bonds on this line. However, do not enter interest from Portland, Maine bonds.

**Line 1b. Enter on this line any amount of federal net operating loss carryforward** included in the Exclusion Items Worksheet, line a. Enter any amount of federal NOL carried back to this year (AMENDED returns only). For more information and examples, go to [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) (select *Income Tax Guidance Documents*).

**Line 1c. Enter 2011 Maine Public Employees Retirement System (MePERS) Contributions** from 2011 Form 1041ME, Schedule 1, line 1c. These contributions are tax deferred for federal tax, but are subject to Maine income tax.

**Line 1d. Enter the amount of domestic production activities deduction** used to reduce 2011 federal alternative minimum taxable income.

**Line 1e. Bonus depreciation add-back:** An addition modification is required equal to the net increase in depreciation resulting from bonus depreciation claimed for 2011 federal alternative minimum tax purposes. To calculate this addition modification, the amount of the add-back on line 1f must be subtracted from the basis of property placed in service in 2011. Then MACRS depreciation must be calculated on the remaining property basis. The amount entered on this line equals the amount that the 2011 federal depreciation claimed, less the amount on line 1f, exceeds the recalculated MACRS depreciation. If the recalculated MACRS depreciation is greater than the adjusted federal depreciation, no addition modification is required on this line. Enclose a copy of the federal Form 4562, along with the add-back calculation, with the return. For more information and examples, go to [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) (select *Income Tax Guidance Documents*).

**Line 1f. Enter the amount of federal bonus depreciation deduction** included in the Exclusion Items Worksheet, line a relating to property for which the Maine Capital Investment Credit was claimed.

**Line 1g. Other Additions.** *List the source of each amount claimed in the space provided. Attach supporting documentation when claiming an amount on this line.* Enter on this line the following amounts for 2011 • the amount of loss, deductions, and other expenses included in the Exclusion Items Worksheet, line a due to an ownership interest in a pass-through entity financial institution • income taxes imposed by Maine or other states, general sales taxes and mortgage insurance premiums deducted in arriving at federal alternative minimum taxable income • interest or expenses incurred in the production of income exempt from Maine taxation deducted in arriving at federal alternative minimum taxable income • amounts deducted as a business or other expense for federal alternative minimum tax purposes that were included in the credit base for the 2011 high-technology investment tax credit and the forest management planning credit • the 2011 amount deducted at the federal level for qualified tuition and other educational expenses

under IRC § 222 • qualified payments and tax benefits from states or municipalities to firefighters and emergency medical responders that are excluded from federal alternative minimum taxable income pursuant to Code section 139B • the administrative expense deduction claimed for federal fiduciary income tax purposes that is also used to determine the taxable estate in calculating the Maine estate alternative minimum tax • the estate's/trust's share of the fiduciary adjustment of another estate/trust - **additions only** (36 M.R.S.A. § 5122(3) and 5164). You must attach a copy of your federal Schedule K-1 to verify your share of income. Generally, the amount entered on this line is equal to the estate's/trust's portion of Form 1041ME, Schedule 1, line 1g.

**Line 2. SUBTRACTIONS from federal alternative minimum taxable income. NOTE: You may only subtract the items listed below on this schedule.** *Also include the taxpayer's distributive share of subtraction modifications from partnerships and S Corporations where applicable.* Enter only amounts not already subtracted in calculating federal alternative minimum taxable income.

**Line 2a. If included in the Exclusion Items Worksheet, line a, enter income from direct obligations of the United States Government,** such as Series EE and Series HH Savings bonds and U.S. Treasury bills and notes. Generally, this is the estate's/trust's portion of 2011 Form 1041ME, Schedule 1, line 2a.

**Line 2b. If included in the Exclusion Items Worksheet, line a, enter social security and railroad retirement benefits (tier 1 and tier 2)** issued by the U.S. Railroad Retirement Board. Also, unemployment and sick benefits issued by the U.S. Railroad Retirement Board are not taxable to Maine. However, benefits issued by the Canadian Railroad Retirement Board are taxable as Maine income. Generally, this is the estate's/trust's portion of 2011 Form 1041ME, Schedule 1, line 2b.

**Line 2c. If included in the Exclusion Items Worksheet, line a, enter Interest from Maine municipal general obligation & private activity bonds & bonds issued by a Maine airport authority.** Interest from these bonds is exempt from state income tax, even if taxed on the federal return. Generally, this is the estate's/trust's portion of 2011 Form 1041ME, Schedule 1, line 2c.

**Line 2d. Use this line only if the person retired after 1988 and received retirement benefits from the Maine Public Employees Retirement System (MePERS) in 2011.** To calculate the amount for this line, subtract the amount in box 14 from the amount in box 2a on your 2011 Form 1099-R form issued by the MePERS. Also include on this line MePERS rollover amounts previously taxed by the state under the Maine alternative minimum tax, whether or not included in federal alternative minimum taxable income.

**Line 2e. Enter on this line up to \$250, per beneficiary, of contributions made in 2011 to a Maine or non-Maine qualified tuition program ("529 college savings plan").** Generally, this is the estate's/trust's portion of 2011 Form 1041ME, Schedule 1, line 2e.

**Line 2f. Bonus depreciation recapture.** Amounts required to be added to alternative minimum income under 36 M.R.S.A. §§ 5122(1)(N), 5122(1)(AA) or 5200-A(1)(N) may be recaptured. Generally, this is the estate's/trust's portion of 2011 Form 1041ME, Schedule 1, line 2f. For more information and examples, visit [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) (select *Income Tax Guidance Documents*).

**Line 2g. Other Subtractions.** **NOTE:** Maine net operating loss carryover deductions are not allowed for tax years beginning in 2009, 2010 and 2011. For more information on Maine's treatment of NOL's, go to [www.maine.gov/revenue/forms](http://www.maine.gov/revenue/forms) (select *Income Tax Guidance Documents*).

List the source of each amount claimed in the space provided and attach supporting documentation when claiming an amount on this line. Enter only amounts included in the Exclusion Items Worksheet, line a. Enter on this line military compensation received by a nonresident servicemember military annuity payments made to a survivor of a deceased member of the military as a result of service in the active or reserve components of the U.S. armed services under a survivor benefit plan or reserve component survivor benefit plan in accordance with 10 USC, Chapter 73 recovery amounts included in 2011 federal alternative minimum taxable income related to items previously deducted on the federal return but not on the Maine return in an earlier year, such as real estate taxes discharge of indebtedness amounts included in the Exclusion Items Worksheet, line a deferred for federal alternative minimum tax purposes but not Maine alternative minimum tax purposes during 2009 or 2010 the amount of loan payments made by employers included in the Exclusion Items Worksheet, line a related to individuals qualified for the opportunity Maine credit the amount of the reduction in the salaries and wages expense deduction directly related to claiming the federal Work Opportunity Credit or Empowerment Zone Credit to the extent allowed against 2011 federal alternative minimum tax. These amounts are reported on 2011 federal Form 5884, line 2 or 2011 federal Form 8844, line 2 (owners of pass-through entities, enter the share of the amount from line 3 of these forms to the extent not included on line 2). Note: do not enter wage amounts from 2011 Form 8844 related to the federal Renewable Community Credit amounts received from a Holocaust victims settlement that are included in the Exclusion Items Worksheet, line a (36 M.R.S.A. §

5122(2)(O) account proceeds from a Family Development Account administered by FAME (36 M.R.S.A. § 5216-C) state income tax refunds earnings from fishing operations that were contributed to a capital construction fund income from investments in the Northern Maine Transmission Corporation the estate's/trust's share of a fiduciary adjustment – **subtractions only** (36 M.R.S.A. §§ 5122(3) and 5164) interest income and capital gains from the sale of bonds issued by the Waste Management Agency to the extent included in the Exclusion Items Worksheet, line a all items of income, gain, interest, dividends, royalties, and other items of income of a financial institution subject to the Maine franchise tax that are included in the Exclusion Items Worksheet, line a due to an ownership interest in the financial institution that is a partnership, S corporation, or entity disregarded as separate from its owner up to \$6,000 in pension income pursuant to 36 M.R.S.A. § 5122(2)(M) the amount of military retirement benefits, not otherwise deducted, received by certain licensed dentists who practice an average of 20 hours or more per week in Maine and accept patients who receive MaineCare benefits up to \$750 of property tax benefits provided by municipalities to senior citizens pursuant to 36 M.R.S.A. § 6232(1-A) expenses incurred in the production of income subject to Maine tax, but exempt from federal tax (an example is expenses related to the production of non-Maine municipal bond interest) long-term care insurance premiums paid by the estate or trust that have not been claimed as an itemized deduction on the decedent's federal income tax return or as a federal adjustment for self-employed individuals the total of capital gains and ordinary income resulting from depreciation recapture pursuant to Code sections 1245 and 1250 realized on the sale of multifamily affordable housing property certified by the Maine State Housing Authority. A copy of the MSHA certificate must be attached to the return. Generally, this is the estate's/trust's portion of 2011 Form 1041ME, Schedule 1, line 2g.