



Pine Tree Development Zone Tax Credit Worksheet PTE: Pass-Through Entity Credit Ratio for Individuals, Estates, or Trusts for Tax Year 2021

Attach to your Form 1040ME or 1041ME.

1. Federal adjusted gross income from Form 1040ME, line 14 or federal taxable income from Form 1041ME, line 1 1. _____
2. Total business income of the Pine Tree Development Zone business included in line 1 2. _____
3. Maine income modifications related to total business income of the Pine Tree Development Zone business (may be a negative number) 3. _____
4. Maine adjusted gross income from the Pine Tree Development Zone business (combine lines 2 and 3) 4. _____
5. Maine adjusted gross income from Form 1040ME, line 16 or Maine taxable income from Form 1041ME, line 3 5. _____
6. Ratio of business income (line 4 divided by line 5; if greater than 1, enter 1.0000) 6. _____
7. Pine Tree Development Zone apportionment percentage (as reported by the business entity) 7. _____
8. Member's Pine Tree Development Zone credit ratio (line 6 x line 7). Enter here and on the Pine Tree Development Zone Tax Credit Worksheet, line 7 8. _____

General Instructions

What is the Pine Tree Development Zone ("PTDZ") tax credit?

The credit is available to certain businesses and individual owners of businesses that expand or begin operations in Maine. For details about the program, visit: www.maine.gov/revenue/taxes/tax-relief-credits-programs/multiple-tax-programs/pine-tree-development-zone.

Who must complete this worksheet?

An individual taxpayer claiming a PTDZ credit from either a sole proprietorship or a pass-through entity (partnership, S corporation, etc.) must calculate the ratio of business to nonbusiness income on this worksheet. The result of this worksheet is then transferred to the PTDZ credit worksheet in order to calculate the actual credit for the year. This worksheet and the PTDZ credit worksheet must be attached to the taxpayer's Maine income tax return (Form 1040ME or 1041ME) along with a copy of the Pine Tree Development Zone certificate issued to the business by the Department of Economic and Community Development.

What does this worksheet do?

This worksheet calculates the business to nonbusiness income ratio for individual taxpayers claiming the PTDZ income tax credit. Individuals claiming this credit must also complete the Pine Tree Development Zone tax credit worksheet, which calculates the applicable credit. For more information about the PTDZ program and the related benefits, see Maine Revenue Services guidance on the Pine Tree Development Zone Credit program available at: www.maine.gov/revenue/taxes/tax-relief-credits-programs/multiple-tax-programs/pine-tree-development-zone.

Specific Instructions

- Line 2. Enter on this line the total income from the qualified Pine Tree Development Zone business from federal Schedule C (for sole proprietor) or Schedule K-1 (for member of a pass-through entity).
- Line 3. Enter on this line the amount of business related income modifications related to this qualified business included on Maine Form 1040ME, Schedule 1A and Schedule 1S or Form 1041ME, Schedule 1.

Note: MRS may request additional information supporting the credit claimed before the return can be processed.