



CREDIT FOR DISABILITY INCOME PROTECTION PLANS WORKSHEET FOR TAX YEAR 2018 36 M.R.S. § 5219-00

TAXPAYER NAME: _____ EIN/SSN: _____

Note: In the case of pass-through entities (such as partnerships, LLCs, S corporations, and trusts) eligible for the credit, the partners, members, shareholders, beneficiaries, or other owners are allowed a credit in proportion to their respective interests in these entities. Enter name and ID number of the entity on the lines below. Also enter your ownership percentage in the pass-through entity for the tax year.

| NAME OF PASS-THROUGH ENTITY | EIN/SSN | OWNERSHIP PERCENTAGE |
|-----------------------------|---------|----------------------|
| _____ | _____ | _____ % |

1. Number of qualifying employees enrolled in **either** a qualified long-term income protection plan or a qualified short-term income protection plan after January 1, 2017. **Do not include an employee more than once.** (See instructions)* 1. _____

Check the box or boxes below that apply to the employees included in line 1:

1a. **Long-term income protection plan policy.** If this box is checked, enter the Form Number of the policy approved by the Maine Bureau of Insurance 1a. _____

1b. **Short-term income protection plan policy.** If this box is checked, enter the Form Number of the policy approved by the Maine Bureau of Insurance 1b. _____

2. Credit rate 2. \$30.00

3. Credit amount: Line 1 multiplied by Line 2. Enter the result on Form 1120ME, Schedule C, line 1q or Form 1040ME, Schedule A, line 20 or Form 1041ME, Schedule A, line 15 3. \$ _____

*Attach a copy of the certificate issued by the Maine Bureau of Insurance that certifies that the short-term or long-term disability income protection plan offered to employees is a qualified plan.

WORKSHEET INSTRUCTIONS

This credit is available for tax years beginning on or after January 1, 2017 for certain employers that offer a qualified short-term and/or long-term disability income protection plan to its employees. The credit is \$30 per employee enrolled in a qualified plan during the taxable year. Employees enrolled in a disability income protection plan during the employer's tax year immediately preceding the year the employer became eligible for the credit may not be included in the base on line 1 above for calculating the credit. An employer must claim the credit for the first taxable year during which the employer becomes eligible for the credit and may claim the credit for no more than 3 consecutive tax years. The credit is limited to the tax liability of the taxpayer and any unused credit amount may not be carried back or forward to other tax years.

For purposes of the credit, a qualified **long-term** disability income protection plan is a plan that:

- Was established after January 1, 2017 or was an existing disability income protection plan reopened for enrollment;
- Allows employees to opt out of enrollment;
- Meets the statutory requirements of a group disability income protection plan under 24-A M.R.S. § 2804-B;
- Has an elimination period* of no more than 185 days;
- Replaces at least 50% of pre-disability earnings prior to any applicable offsets;
- Offers benefits for at least 24 months; and
- Contains a policy Form Number that has been approved by the Maine Bureau of Insurance as qualifying for the credit.

CREDIT FOR DISABILITY INCOME PROTECTION PLANS WORKSHEET INSTRUCTIONS CONTINUED

A qualified **short-term** disability income protection plan is a plan that:

- Was established after January 1, 2017 or was an existing disability income protection plan reopened for enrollment;
- Allows employees to opt out of enrollment;
- Meets the statutory requirements of a group disability income protection plan under 24-A M.R.S. § 2804-B;
- Has an elimination period* of no more than 30 days;
- Replaces income of at least \$200 per week;
- Offers benefits for at least 6 months; and
- Contains a policy Form Number that has been approved by the Maine Bureau of Insurance as qualifying for the credit.

* **Elimination period** means the time period during which an employee is unable to work due to a covered sickness or injury but is not yet eligible for disability benefits under the plan.