



# MAINE TAX ALERT

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Public Communications Tel: (207) 626-8478

## Maine Revenue Services Rulemaking Activity

Maine Revenue Services (MRS) is proposing to repeal Rule 150 (Joint Rules Governing Collection of Reciprocal Taxation of Motor Vehicles). The rule is proposed for repeal because it is obsolete and inoperative. The Maine Law Court found the statutory authority for the rule to be unconstitutional and the statutory authority for the rule was repealed effective April 1994. Rule 150 can be found on the Secretary of State's web site at [maine.gov/sos](http://maine.gov/sos). Comments are due by December 23, 2005 and should be directed to John Sagaser, Esq. General Counsel, Maine Revenue Services, 24 State House Station, Augusta Maine 04333.

## Maine Revenue Services Announces New Director Of Property Tax Division

MRS is pleased to announce that David Ledew has been selected as the new director of the Property Tax Division effective November 21, 2005. Dave has a B.S. in Business Administration from the University of Maine, Orono, and 27 years experience working here at MRS. Dave worked in Compliance for 8 years before moving over to Property Tax in 1987 as the Chief of Training and Certification for municipal assessors. In 1994, he was promoted to Supervisor of Municipal Services and served in that capacity until his appointment as Acting Director.

## 2005 Maine Income Tax Forms

Downloadable versions of various 2005 income tax forms and instructions are now available on the Maine Revenue Services web site.

One of the most significant changes on the 2005 forms is an additional line for the Domestic Production Activities Deduction add-back (see **1040ME, Schedule 1, line 1d and 1120ME, line 4e**). Note that line 1g of 1040ME, Schedule 1 (*Other tax additions*) now includes the add-back for the taxpayer's share of a fiduciary adjustment. See instructions for a full list of other add-backs required to be reported on this line.

Another significant change for 2005 is to the application of the corporate apportionment factor for multistate corporations with Maine taxable income. The apportionment factor is calculated in the same manner as in past years, but now it is applied to the gross tax of the business rather than the adjusted federal taxable income. See the Maine Corporate Income Tax booklet (Form 1120ME) for more information.

Additionally, the following 2005 forms will be posted soon:

- **Minimum tax worksheet**
- Instructional pamphlet for Schedule NR
- **1120B-ME** franchise tax return
- **Form 1041EXT-ME** Fiduciary extension payment voucher
- **Form 1041ME, Schedules A & NR** Adjustments to tax/Nonresident apportionment
- Instructional pamphlet for Schedule 3
- Instructional pamphlet for Schedule NRH
- **1041ME** fiduciary income tax return

## Pine Tree Development Zones - Final Guidance Documents/Bulletins

MRS has completed a final income tax guidance document and sales tax bulletin providing information on Pine Tree Development Zone tax benefits. See below for links to each document.  
([www.state.me.us/revenue/incomeestate/guidance/documents/ptdz\\_guidance\\_nov05\\_000.pdf](http://www.state.me.us/revenue/incomeestate/guidance/documents/ptdz_guidance_nov05_000.pdf))  
([www.maine.gov/revenue/salesuse/Bull52.pdf](http://www.maine.gov/revenue/salesuse/Bull52.pdf))

In addition, the Department of Economic and Community Development (DECD) plans to release the final rule regarding Pine Tree Developments soon. This document and related material can be found on the DECD web site at ([www.mainebiz.org/why\\_maine/pine\\_tree\\_zones.asp](http://www.mainebiz.org/why_maine/pine_tree_zones.asp)).

<u>Department</u>	<u>Telephone Numbers</u>	<u>FAX Numbers</u>	<u>E-mail Addresses</u>
Taxpayer Service Center	(207) 287-2076	(207) 287-5855	
Appellate	(207) 624-9854	(207) 287-3294	
Central Registration	(207) 287-2338	(207) 287-3733	<a href="mailto:division.uctax@maine.gov">division.uctax@maine.gov</a>
Collections & Compliance	(207) 624-9595	(207) 287-6627	<a href="mailto:compliance.tax@maine.gov">compliance.tax@maine.gov</a>
Corporate Tax	(207) 624-9670	(207) 624-9694	<a href="mailto:corporate.tax@maine.gov">corporate.tax@maine.gov</a>
Economic Research	(207) 624-9789	(207) 287-3618	
E-file Help Desk (1040 ONLY)	(207) 624-9730	(207) 624-9740	<a href="mailto:efile.helpdesk@maine.gov">efile.helpdesk@maine.gov</a>
Electronic Funds Transfer	(207) 287-8276	(207) 287-6627	<a href="mailto:efunds.transfer@maine.gov">efunds.transfer@maine.gov</a>
Estate Tax	(207) 626-8480	(207) 624-9694	<a href="mailto:estatetax@maine.gov">estatetax@maine.gov</a>
Fuel Tax	(207) 624-9745	(207) 287-6628	<a href="mailto:fuel.tax@maine.gov">fuel.tax@maine.gov</a>
Forms Request Line	(207) 624-7894	(207) 622-3517	
Income Tax Assistance	(207) 626-8475	(207) 624-9694	<a href="mailto:income.tax@maine.gov">income.tax@maine.gov</a>
Insurance Premium Tax	(207) 624-9753	(207) 624-7729	
Payment Plan/Income Tax	(207) 621-4300	(207) 621-4328	<a href="mailto:compliance.tax@maine.gov">compliance.tax@maine.gov</a>
Payment Plan/Other	(207) 624-9595	(207) 287-6627	<a href="mailto:compliance.tax@maine.gov">compliance.tax@maine.gov</a>
Practitioners' Hotline	(207) 626-8458	(207) 624-9694	
Property Tax	(207) 287-2011	(207) 287-6396	<a href="mailto:prop.tax@maine.gov">prop.tax@maine.gov</a>
Public Communications	(207) 626-8478	(207) 624-9694	
Sales Tax	(207) 624-9693	(207) 287-6628	<a href="mailto:sales.tax@maine.gov">sales.tax@maine.gov</a>
Tax Clearance Letters	(207) 624-9628	(207) 287-6627	
Taxpayer Advocate	(207) 624-9649	(207) 287-3618	<a href="mailto:taxpayer.advocate@maine.gov">taxpayer.advocate@maine.gov</a>
TTY Service	(888) 577-6690		
Withholding Tax	(207) 626-8475	(207) 624-9694	<a href="mailto:withholding.tax@maine.gov">withholding.tax@maine.gov</a>
Tax Violations Hot Line	(207) 624-9600		

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.

## STATE OF MAINE

John Elias Baldacci, Governor

Rebecca M. Wyke, Commissioner  
Administrative and Financial Services

Jerome D. Gerard, Acting Executive  
Director, Maine Revenue Services

Suggestions for the Tax Alert?

**Please contact: Public Communications (207) 626-8478**  
Maine Revenue Services  
24 State House Station  
Augusta, Maine 04333-0024