



Maine Revenue Services
Corporate Income Tax
Estimated Tax Worksheet
for Form 1120ES-ME

1. Adjusted federal taxable income for tax year beginning in (check one):
2023: [ ] 2024 (estimated): [ ] 1. \_\_\_\_\_

2. a. Estimated Maine gross tax .....2a. \_\_\_\_\_

For tax years beginning on or after January 1, 2024, the Maine corporate tax rates are as follows:

Table with 3 columns: If adjusted federal taxable income is: (Greater than, But not over), and The tax is: (3.5% of adjusted federal taxable income, \$12,250 plus 7.93% of the excess over \$350,000, etc.)

b. Estimated Maine corporate income tax (line 2a multiplied by the estimated Maine apportionment factor) .....2b. \_\_\_\_\_

3. Overpayment from prior year elected for credit to estimated tax.....3. \_\_\_\_\_

4. Balance of estimated Maine corporate income tax (line 2b minus line 3).....4. \_\_\_\_\_

5. Computation and record of payments

Table with 6 columns: Date Due\*, Quarterly Estimate, 2023 Overpayment, Balance Due, Date Paid, Check or Transaction #. Rows 1-4 for quarterly payments.

\* Calendar-year filers only. (Fiscal year corporations: use the date corresponding with the 15th day of the 4th, 6th, 9th and 12th months of the fiscal year.)

Note: If your estimated tax changes during the year, you may use the amended computation worksheet below to determine the amended amounts to be submitted.

1. Amended estimated Maine corporate income tax .....1. \_\_\_\_\_

2. Less:

a. Amount of overpayment from prior year credited to this year's estimated tax and applied to date.....2a. \_\_\_\_\_

b. Payments made for current year.....2b. \_\_\_\_\_

c. Total (line 2a plus line 2b) .....2c. \_\_\_\_\_

3. Unpaid balance: (line 1 minus line 2c) .....3. \_\_\_\_\_

4. Amount to be paid: (line 3 divided by number of remaining installments).....4. \_\_\_\_\_

# General Instructions

## 1. Who must pay estimated tax:

Every corporation subject to taxation under 36 M.R.S., Part 8 (Income Taxes) must pay estimated tax. If the income tax liability for the current tax year or for the prior tax year reduced by any allowable credits is less than \$1,000, the requirement is waived. See 36 M.R.S. § 5228(2).

**Note:** For tax years beginning on or after January 1, 2022, a corporation has nexus with Maine if the corporation is organized or commercially domiciled in Maine or if, in Maine, any of the following thresholds are exceeded: \$250,000 in property, \$250,000 in payroll, \$500,000 in sales, or 25% of the corporation's total property, payroll, or sales is in Maine. See 36 M.R.S. § 5200-B.

## 2. Amount of estimated tax to be paid:

The estimated tax must be no less than the smaller of the following:

a. An amount equal to the preceding year's tax liability, if that preceding year was a taxable year of 12 months; or

b. An amount equal to 90% of the tax liability for the current tax year.

**Exception:** Large corporations as defined by IRC § 6655(g)(2)(A), are required to pay estimated taxes in accordance with paragraph b, except as provided in 36 M.R.S. § 5228(5)(C).

## 3. Due dates for estimated tax installments:

Installment payments are due on the 15th day of the 4th, 6th, 9th, and 12th months following the beginning of the corporation's fiscal year. If the due date falls on a Saturday, Sunday or legal holiday, substitute the next succeeding day which is not a Saturday, Sunday or legal holiday.

## 4. Amount of installments:

The amount of estimated tax due for the taxable year must be paid in four equal installments unless:

a. The taxpayer establishes by adequate record the actual distribution of tax liability and allowable credits during the tax year; or

b. The taxpayer is a large corporation as defined by IRC § 6655(g)(2)(A). Such large corporations may elect to determine the first required installment for any taxable year based on the preceding year's state income tax liability, if that preceding year was a taxable year of 12 months.

However, if the corporation so elects, the second required installment for the taxable year must be no less than 90% of the corporation's income tax liability for the first half of the current year, less the amount of the first installment for the taxable year as determined under this provision.

## 5. Underpayment penalty:

A penalty equal to the interest rate on overdue taxes accrues automatically on underpayments of the required installment amount for the period of underpayment. The period of underpayment is the period of time from the date the installment is due until the underpayment is satisfied or until the tax return to which the estimate installment applies is due, whichever occurs earlier. Calculate the underpayment penalty on Form 2220ME.

## 6. Short taxable year:

For a corporation having a tax year of less than 12 months, the estimated tax must be paid in full by the 15th day of the last month of the tax year. If you are filing a tax return for a short tax year, identify your next filing period in the space provided on the voucher.

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## Specific Instructions

### Line 5

Column A **Quarterly Estimate.** Divide line 2b by 4 and enter the result in each row.

Column B **2023 Overpayment.** Enter the amount from line 3 in the row that corresponds to the due date of the 2023 Form 1120ME, without regard to extension, or the date the payment resulting in the 2023 overpayment was made, whichever is later. If this amount is larger than the amount entered in the same row in column A, subtract the amount in column A from this amount. Enter the result in the following row in column B. Repeat this procedure on each line until the amount of overpayment is used.

Column C **Balance Due.** Subtract column B, line 1 from column A, line 1 and enter the result here. This amount is the balance due for the quarter. The total of all four lines in this column should equal the amount on line 4 (Balance of estimated Maine corporate income tax).

Column D **Date Paid.** Enter the date the balance in column C is paid.

Column E **Check or Transaction #.** Enter the check number or the bank transaction number for the quarterly payment made.