

SCHEDULE PTFC/STFC – Property Tax Fairness Credit & Sales Tax Fairness Credit Instructions
(Form 1040ME, lines 25d and 25e)

Who is eligible? You may qualify for the **refundable** Property Tax Fairness Credit up to \$1,000 (\$2,000 if you are 65 years of age or older)* if you meet all of the following:

- You were a Maine resident during any part of the tax year;
- You owned or rented a home in Maine during any part of the tax year and lived in that home as your principal residence during the year;
- Your total income during 2024 was less than the amount shown in the table below for your filing status and the number of qualifying children and dependents you claim (OR, less than \$100,000 if you are 65 years of age or older):

If your Filing Status is:	AND Form 1040ME, line 13a is:		
	0	OR 1	OR more than 1
	Your income must be less than:		
Single	\$61,250	\$61,250	\$61,250
Head of Household	\$80,000	\$80,000	\$97,500
Married filing Jointly or Qualifying surviving spouse	\$80,000	\$97,500	\$97,500

- You paid property tax on your home (principal residence) in Maine during the tax year that is greater than 4% of your total income or you paid rent on your home (principal residence) in Maine during the tax year that is greater than 26.67% of your total income. **Note:** that the amount of property tax or rent you can include may be limited. See line 8 on Schedule PTFC/STFC.

*If you or your spouse, if married, are a veteran of the United States Armed Forces who is rated 100% permanently and totally disabled as a result of one or more service-connected disabilities by the United States Department of Veterans Affairs, you may be eligible for a refundable property tax fairness credit up to \$2,000 (\$4,000 if you are 65 years of age or older).

You may qualify for the **refundable** Sales Tax Fairness Credit up to \$270, depending on the number of qualifying children and dependents on Form 1040ME, line 13a, if you meet all of the following:

- You were a Maine resident during any part of the tax year;
- Your total income during 2024 was not more than \$31,750 if filing single; \$49,850 if filing head of household; or, \$62,500 if married filing jointly or qualifying surviving spouse.

See the line 17 instructions below for more information.

You cannot claim either the Property Tax Fairness Credit or Sales Tax Fairness Credit if your filing status is married filing separately.

You cannot claim the Sales Tax Fairness Credit if you are claimed as a dependent on another person's return.

SCHEDULE PTFC/STFC - SPECIFIC INSTRUCTIONS

Step 1. Complete Form 1040ME according to the form instructions.

If you are a resident or part-year resident of Maine filing Form 1040ME only to claim the property tax fairness credit and/or the sales tax fairness credit, you have no Maine income modifications on Form 1040ME, Schedule 1A or Schedule 1S, and you do not file a federal income tax return, complete Maine Form 1040ME according to the instructions below:

- Fill in your name, address, social security number, telephone number and, if married, your spouse's name and social security number;
- Check Box A below your address;
- Enter your correct filing status on lines 3-7;
- Enter your correct residency status on lines 8-11a;
- Check the applicable boxes on lines 12a through 12d if either you or your spouse were 65 years or over or blind during 2024;
- Enter the number of personal exemptions for yourself and your spouse, if married, you can claim on line 13;
- Enter the number of qualifying children and dependents you can claim on line 13a;
- Complete Schedule PTFC/STFC. See the Step 2 instructions below;
- Enter the amount from Schedule PTFC/STFC, line 16 on Form 1040ME, line 25d;
- Enter the amount from Schedule PTFC/STFC, line 17 or line 17a, whichever applies, on Form 1040ME, line 25e;
- Enter the sum of Form 1040ME, lines 25d and 25e on Form 1040ME, lines 25f, 27, 28, 33 and 34b. Any refund will be mailed to you. However, if you want your refund deposited directly into your checking or savings account, also complete lines 34c, 34d and 34e.

Step 2. Complete Schedule PTFC/STFC. Enter your name and social security number as shown on Form 1040ME. Also enter your date of birth and your spouse's date of birth, if married.

Complete **EITHER** lines 1a through 1e **OR** lines 2a through 2d. If you **do not** file federal Form 1040 or Form 1040-SR, complete lines 1a through 1e. If you **do** file a federal Form 1040 or Form 1040-SR, enter your income on lines 2a through 2d.

If you do not file federal Form 1040 or Form 1040-SR:

Line 1a. Social security and railroad retirement benefits. Enter all payments received under the federal Social Security Act, including regular

social security benefits, social security disability benefits and supplemental security income. Include the gross amount before Medicare is subtracted. This amount can generally be found on federal Form SSA-1099. (See also federal Form 1040, line 6a or Form 1040-SR, line 6a). Also enter on this line the amount of railroad retirement benefits received. This amount can generally be found on federal Form RRB-1099 or RRB-1099-R.

Line 1b. Interest and dividends. Enter all interest and ordinary dividends you received. These amounts can generally be found on the federal Form 1099 issued by the payer.

Line 1c. Pensions, annuities, and IRA distributions. Enter the amount of all pensions, annuities, and IRA distributions you received that would be included in federal total income if you filed a federal income tax return. These amounts can generally be found on the federal Form 1099 issued by the payer.

Line 1d. Wages, salaries, tips, etc. Enter the total amount of wages, salaries and other compensation that would be included in federal total income if you filed a federal income tax return. This amount is generally reported in box 1 of the federal Form W-2 or on the federal Form 1099 issued by the payer.

Line 1e. Other income. Enter alimony received; business income (but do not enter business losses); capital gains; other gains; any income from rental real estate, royalties, partnerships, S corporations, trusts, etc.; farm income; unemployment compensation; and any other income that would be included in federal total income if you filed a federal income tax return. For more information on federal total income, see the federal income tax forms and instructions at [irs.gov](https://www.irs.gov).

If you do file federal Form 1040 or Form 1040-SR:

Line 2a. Federal Total Income. Enter your federal total income from federal Form 1040, line 9 or Form 1040-SR, line 9. If filing Form 1040ME, Schedule NRH, enter the amount from Schedule NRH, line 1j, column B.

Line 2b. To the extent not already included in federal total income on line 2a, enter all payments received under the federal Social Security Act and the amount of railroad retirement benefits received. See the instructions for line 1a above. If filing Form 1040ME, Schedule NRH, enter only those payments you received.

Line 2c. Enter only amounts not already included in federal total income on line 2a. If filing Form 1040ME, Schedule NRH, enter your portion of the interest earned.

Line 2d. Loss add-backs. Enter on line 2d the amount of any negative amount (net loss) included on federal Form 1040 or Form 1040-SR, line 7 and federal Schedule 1, lines 3, 4, 5, 6, and 8a through 8z. Enter the total of the amounts as a positive number. If filing Form 1040ME, Schedule NRH, enter only those amounts shown on Schedule NRH, column B, lines 1f, 1g, 1h, and 1i.

After completing line 3, if you are applying only for the Sales Tax Fairness Credit, skip to line 17.

Line 4. Property Tax. If you owned your home in Maine and lived in that home during 2024, enter the amount of property tax paid during 2024 on your house and house lot up to 10 acres. Include amounts paid by the State to the municipality under the Property Tax Deferral Program. If your house is on land that is more than 10 acres, call your town or city assessor to get the tax on your house and the land up to 10 acres. Part-year residents - enter only the property tax amounts you paid for your home in Maine during the part of the tax year you were a Maine resident. **Note: You may be asked to provide proof of the property tax paid before a refund is issued.**

- Do not use the amount of property tax assessed; enter only the amount of tax actually paid on your home during 2024.
- Do not include amounts paid for interest or special assessments.
- Do not include property taxes on property other than your primary residence.
- Do not claim any property tax paid by others, except for amounts paid by the State under the Property Tax Deferral Program. If the home is jointly owned, **enter only the property tax you paid**. You can claim the tax you paid on your home even if you have transferred ownership to someone else under a legal agreement that allows you to continue to live in the home, but you can claim the tax on the home only for as long as you live in the home.
- Do not include taxes on any part of your home or property used exclusively for business. For example, you owned a two-story building. You lived upstairs and ran a store downstairs. You can claim one-half of the property tax you paid. Do not include property taxes claimed as a business expense on your federal tax return.
- Do not include taxes on any part of your home that serves as a separate dwelling. Include only the taxes paid for the part of the home you occupied as your primary residence. For example, your primary residence is one unit located in a three-unit dwelling. You can claim only one-third of the property tax paid.

Note: If you owned a home that was on rented land or vice-versa, you can include the property tax you paid during 2024 on line 4 and the rent you paid during 2024 on line 5a. For example, you owned a mobile home located in a park. Enter the property tax on your mobile home on line 4 and the lot rent you paid on line 5a.

If your filing status is **Single**, find the amount for your income below
(Note: you must not be claimed as a dependent on another person's return):

If Schedule PTFC/STFC, line 3 is:		And Form 1040ME, line 13 is 1:
At least:	But not more than:	Enter:
0	24,750	150
24,751	25,250	140
25,251	25,750	130
25,751	26,250	120
26,251	26,750	110
26,751	27,250	100
27,251	27,750	90
27,751	28,250	80
28,251	28,750	70
28,751	29,250	60
29,251	29,750	50
29,751	30,250	40
30,251	30,750	30
30,751	31,250	20
31,251	31,750	10
31,751	32,250	0

If your filing status is **Married filing jointly** or **Qualifying surviving spouse**, find the amount for your income and number of qualifying children and dependents below:

If Schedule PTFC/STFC, line 3 is:		And the number on Form 1040ME, line 13a is:		
At least:	But not more than:	0	1	2+
0	49,500	210	240	270
49,501	50,500	190	220	250
50,501	51,500	170	200	230
51,501	52,500	150	180	210
52,501	53,500	130	160	190
53,501	54,500	110	140	170
54,501	55,500	90	120	150
55,501	56,500	70	100	130
56,501	57,500	50	80	110
57,501	58,500	30	60	90
58,501	59,500	10	40	70
59,501	60,500	0	20	50
60,501	61,500	0	0	30
61,501	62,500	0	0	10
62,501	63,500	0	0	0

Line 5a. Enter the total rent you paid for your home (principal residence) in Maine during 2024. If you moved during the tax year, include the rent you paid during the tax year to live in each home or apartment. Include Workfare payments received from your town used to pay your rent. Part-year residents - enter only rent amounts you paid on your home in Maine during the part of the tax year you were a Maine resident. **Note: You may be asked to provide copies of rent receipts or canceled checks before a refund is issued.**

- Do not include mortgage payments or room and board payments. Mortgage payments and room and board payments are not rent.
- Do not include the rent amount paid by a government program.
- Do not include rent for any part of your home that was rented out to others. For example, you share an apartment with your sister. Each of you are equally responsible for one-half of the rent. Include only the amount of rent you paid to live in the apartment.
- Do not include rent for any part of your home used exclusively for business. For example, you rent a two-story building. You live in a 2nd floor apartment and run a business on the 1st floor. Claim only the portion of rent you paid for the right to live in the 2nd floor apartment.
- Do not include rent claimed as a business expense on your federal return.

Line 5c. If the rent you entered on line 5a includes an amount for heat, utilities, furniture, or other similar items and you know the amount paid toward the heat, utilities, furniture, or other similar items, enter the amount on line 5c. If your landlord cannot provide the amount you paid for heat, utilities, furniture, or other similar items, multiply the amount on line 5a by 15% (.15) and enter the result on line 5c. If the rent entered on line 5a does not include an amount paid for heat, utilities, furniture, or other similar items, enter 0 on line 5c.

Line 5d. Subtract line 5c from line 5a. The rent you paid can include only the amount paid for the right to live in your home, excluding amounts paid for heat, utilities, furniture, or other similar items.

Line 17. Sales Tax Fairness Credit. See the tables below for your filing status (from Form 1040ME, lines 3 through 7).

- To find the credit, read down the "At least - But not more than" columns and find the line that includes your Total Income from Schedule PTFC/STFC, line 3.
- Then, go to the column that includes the number of qualifying children and dependents on Form 1040ME, line 13a. Enter the credit from that column on Schedule PTFC/STFC, line 17.

Example. If your filing status is **married filing jointly**, your total income from Schedule PTFC/STFC, line 3 is **\$58,500**, and you claim **3 qualifying children and dependents**, enter \$90 on Schedule PTFC/STFC, line 17.

If your filing status is **Head of Household**, find the amount for your income and number of qualifying children and dependents below:

If Schedule PTFC/STFC, line 3 is:		And the number on Form 1040ME, line 13a is:		
At least:	But not more than:	0-1	2	3+
0	37,100	210	240	270
37,101	37,850	195	225	255
37,851	38,600	180	210	240
38,601	39,350	165	195	225
39,351	40,100	150	180	210
40,101	40,850	135	165	195
40,851	41,600	120	150	180
41,601	42,350	105	135	165
42,351	43,100	90	120	150
43,101	43,850	75	105	135
43,851	44,600	60	90	120
44,601	45,350	45	75	105
45,351	46,100	30	60	90
46,101	46,850	15	45	75
46,851	47,600	0	30	60
47,601	48,350	0	15	45
48,351	49,100	0	0	30
49,101	49,850	0	0	15
49,851	50,600	0	0	0