



# Credit for Income Tax Paid to Other Jurisdiction Worksheet for Tax Year 2024 36 M.R.S. §5165 and § 5217-A

Enclose with Form 1040ME or Form 1041ME.  
Also enclose a copy of the income tax return filed with the other jurisdiction.

Taxpayer Name: \_\_\_\_\_ SSN: \_\_\_\_\_

**(Part-year resident individuals, see special instructions on page 3)**

- A. Name of other taxing jurisdiction: \_\_\_\_\_
1. Maine adjusted gross income from Form 1040ME, line 16 or Maine taxable income from Form 1041ME, line 3.....1. \_\_\_\_\_
2. Calculate the portion of Maine adjusted gross income (for individuals) or Maine taxable income (for estates and trusts) sourced to and taxed by the other jurisdiction entered on line A:

a. Income sourced to and taxed by other jurisdiction included on Form 1040ME, line 14 or Form 1041ME, line 1. See instructions.....2a. \_\_\_\_\_

Income modifications or fiduciary adjustments sourced to and taxed by other jurisdiction (Form 1040ME, Schedule 1A and Schedule 1S or Form 1041ME, Schedule 1). **Include only amounts attributable to income included on line 2a:**

b. Additions - Specify \_\_\_\_\_ 2b. \_\_\_\_\_

c. Subtractions - Specify \_\_\_\_\_ 2c. \_\_\_\_\_

d. Income sourced to and taxed by other jurisdiction included on Form 1040ME, line 16 or Form 1041ME, line 3 (line 2a plus line 2b minus line 2c (if negative, enter zero)).....2d. \_\_\_\_\_
3. Percentage of income taxed by other jurisdiction (divide line 2d by line 1 - if line 2d is greater than line 1, enter 1.0000).....3. \_\_\_\_\_
4. Limitation of Credit:
- a. Maine tax on income also taxed by other jurisdiction (multiply Form 1040ME, line 20 or Form 1041ME, line 4 by line 3 above).....4a. \_\_\_\_\_
- b. Income taxes **paid** to other jurisdiction on income shown on line 2d.....4b. \_\_\_\_\_  
*Do not enter the amount withheld on line 4b. See instructions.*
5. Allowable Credit, line 4a or 4b, whichever is less. Enter here and on Maine Form 1040ME, Schedule A, line 13 or Form 1041ME, Schedule A, line 7 .....5. \_\_\_\_\_

• **Taxpayers who claim credit for income tax paid to more than one other jurisdiction:** The credit for each jurisdiction must be computed separately. Use a separate worksheet for each jurisdiction. Print the name of the other jurisdiction on line A. Add the line 5 results together and enter the total on Maine Form 1040ME, Schedule A, line 13 or Form 1041ME, Schedule A, line 7. **Enclose with your Form 1040ME or Form 1041ME. You must also enclose a copy of the income tax return filed with the other jurisdiction.**

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

## Credit for Income Tax Paid to Other Jurisdiction Worksheet for Tax Year 2024 - Instructions

**Resident individuals, estates, or trusts** (excluding safe harbor residents) may claim a credit against Maine income tax for income tax paid to another jurisdiction if all the following conditions are met:

- 1) the other jurisdiction is another state, a political subdivision thereof, the District of Columbia, Canadian Province or any political subdivision of a foreign country that is analogous to a state of the United States;
- 2) the tax paid to the other jurisdiction is directly related to the income received during the tax year covered by this return (tax payments made to other taxing jurisdictions for prior year tax liabilities cannot be considered when computing this credit); and,
- 3) the income taxed by the other jurisdiction is derived from sources in that jurisdiction. Note: Income earned from a business, trade, profession, or occupation carried on in Maine, including income earned while teleworking in Maine, is sourced to Maine.

**Part-year resident individuals** may claim a credit for tax paid to another jurisdiction on income earned during the period of Maine residency only (excluding period of safe harbor residency) if all the above conditions are met. **Part-year resident individuals who qualify for both the credit for tax paid to another jurisdiction and the nonresident credit must follow the special instructions below. For more information, see the Guidance Document for Credit for Income Tax Paid to Other Taxing Jurisdiction available at [maine.gov/revenue/tax-return-forms](http://maine.gov/revenue/tax-return-forms)** (select Income Tax Guidance Documents).

**Note:** Individuals who are considered to be residents of both Maine (excluding safe harbor residents) and another state for income tax purposes may qualify for a dual resident credit under 36 M.R.S. § 5128. For more information, see [maine.gov/revenue/tax-return-forms](http://maine.gov/revenue/tax-return-forms).

### Specific Instructions

**Lines 2a through 2d.** Income sourced to the other jurisdiction must be determined in the same way that a Maine nonresident calculates Maine-source income for purposes of Schedule NR or Schedule NRH. Note that generally income from intangible sources, such as interest, dividends, annuities, pensions, and gains or losses attributable to intangible personal property, received by a resident of Maine is Maine-source income. For a description of Maine-source income for nonresident individuals, estates, and trusts see 36 M.R.S. § 5142 and Maine Rule 806.

For individuals, income considered taxed by the other jurisdiction is the adjusted income sourced to the other jurisdiction that is analogous to Maine adjusted gross income (federal adjusted gross income plus or minus income modifications under 36 M.R.S. § 5122). For estates and trusts, income considered taxed by the other jurisdiction is the adjusted income sourced to the other jurisdiction that is analogous to Maine taxable income (federal taxable income plus or minus any fiduciary adjustment under 36 M.R.S. § 5164).

**Line 2a.** Enter the income included on Form 1040ME, line 14 or Form 1041ME, Line 1 that is sourced to the other jurisdiction entered on line A. Do not enter an amount greater than the amount on Form 1040ME, line 14 or Form 1041ME, Line 1. Do not enter income earned while working in Maine.

**Line 2b.** Enter the addition modifications included on Form 1040ME, Schedule 1A, line 12 or Form 1041ME, Schedule 1, Line 1i, attributable to the income included on line 2a.

**Line 2c.** Enter the subtraction modifications included on Form 1040ME, Schedule 1S, line 27 or Form 1041ME, Schedule 1, Line 2i, attributable to the income included on line 2a.

**Line 4b.** Enter the income tax paid to the other jurisdiction minus any tax amount paid on income not included on line 2d and minus any tax credits (except withholding and estimated tax payments). If you have income on which you paid tax to the other jurisdiction that is not included on page 1, line 2d, complete the Worksheet to Prorate the Tax Paid to Other Jurisdiction below. If you believe that the worksheet below does not fairly represent the tax that you paid to the other jurisdiction on income taxed by Maine, you may request to use another method to calculate this amount by attaching to Form 1040ME or Form 1041ME, a worksheet that shows your suggested calculation. You will be notified if the suggested calculation is not approved.

### Worksheet to Prorate the Tax Paid to Other Jurisdiction

- 1) Enter the total gross income subject to tax in the other jurisdiction prior to any adjustments (from the other jurisdiction's income tax return)..... \$ \_\_\_\_\_
- 2) Enter the net amount of additions to and subtractions from total income shown on line 1 (from the other jurisdiction's income tax return). Do not include standard or itemized deductions or personal exemptions..... \$ \_\_\_\_\_
- 3) Adjusted other jurisdiction gross income (line 1 plus or minus line 2). If zero or less, stop here. You do not qualify for a credit..... \$ \_\_\_\_\_
- 4) Other jurisdiction tax ratio (divide page 1, line 2d by line 3 - if page 1, line 2d is greater than line 3, enter 1.0000)..... \_\_\_\_\_ . \_\_\_\_\_
- 5) Enter the income taxes **paid** to other jurisdiction minus any tax credits (except withholding and estimated tax payments)..... \$ \_\_\_\_\_
- 6) Multiply line 5 by line 4. Enter result here and on page 1, line 4b. .... \$ \_\_\_\_\_

## Credit for Income Tax Paid to Other Jurisdiction Worksheet for Tax Year 2024 - Instructions, continued

### Special instructions for Part-year Resident Individuals

For more information, see the Guidance Document for Credit for Tax Paid to Other Taxing Jurisdiction available at [maine.gov/revenue/tax-return-forms](https://maine.gov/revenue/tax-return-forms) (select Income Tax Guidance Documents).

- Line 1.** Enter the Maine adjusted gross income while a Maine resident, excluding period of safe harbor residency (Form 1040ME, line 16, minus Schedule NR, line 6 or Schedule NRH, column C, line 6).
- Line 2a.** Enter only income included on Form 1040ME, line 14 (*based on income entered on Maine Worksheet B, column C*) that is sourced to, and that was taxed by, the other jurisdiction while a Maine resident. Do not include any income that was earned while a nonresident or a safe harbor resident of Maine. Also, see the note above under Specific Instructions.
- Line 4a.** Enter the Maine tax related to the Maine adjusted gross income shown on line 1 (Form 1040ME, line 20 minus Form 1040ME, line 21), multiplied by the ratio on line 3.
- Line 4b.** Enter the income tax paid to the other jurisdiction minus any tax amount paid on income not included on line 2d and minus any tax credits (except withholding and estimated tax payments). Maine Resident Period Only: If you have income on which you paid tax to the other jurisdiction that is not included on page 1, line 2d, complete the Worksheet to Prorate the Tax Paid to Other Jurisdiction on page 2. Also, if income taxes were paid to the other jurisdiction on income received while both a resident and a nonresident of Maine, you must prorate the net tax calculated in the first sentence above based on the percentage of the income that was received while a Maine resident. Do not report income taxes withheld on this line.