

**SCHEDULE
PTFC/STFC
FORM 1040ME
2019**

Attachment
Sequence No. 3

**PROPERTY TAX FAIRNESS CREDIT
SALES TAX FAIRNESS CREDIT**

For MAINE RESIDENTS and PART-YEAR RESIDENTS ONLY.

Enclose with Form 1040ME.

See instructions.

For more information, visit www.maine.gov/revenue/forms.



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Name(s) as shown on Form 1040ME

Your Social Security Number

Note: If your filing status is married filing separately, you cannot claim either the property tax fairness credit or the sales tax fairness credit.

Enter your
date of birth

MM DD YYYY

If married, enter your
spouse's date of birth

MM DD YYYY

Physical location of property where you lived during 2019 (if different from your mailing address):

TOTAL INCOME - Complete line 1 or line 2 below, but not both. Complete line 1 if you do not file federal Form 1040 or Form 1040-SR. Complete line 2 if you do file federal Form 1040 or Form 1040-SR. Then go to line 3.

DO NOT ENTER \$ signs, commas, or decimals:

IF YOU DO NOT FILE FEDERAL FORM 1040 OR FORM 1040-SR, ENTER:

1. (a) Social security benefits and railroad retirement benefits. (See instructions.).....1a. .00
- (b) Interest and dividends. (See instructions.).....1b. .00
- (c) Pensions, annuities and IRA distributions. (See instructions.).....1c. .00
- (d) Wages, salaries, tips, etc. (See instructions.).....1d. .00
- (e) Other income. (See instructions.).....1e. .00

OR, IF YOU DO FILE FEDERAL FORM 1040 OR FORM 1040-SR, ENTER:

2. (a) Federal total income. (From federal Form 1040, line 7b or Form 1040-SR, line 7b.)
If filing Schedule NRH - see instructions.....2a. .00
- (b) Social security benefits not included on line 2a above. (Federal Form 1040, line 5a minus
line 5b or Form 1040-SR, line 5a minus line 5b) and railroad retirement benefits not included
on line 2a above. (See instructions.).....2b. .00
- (c) Interest not included on line 2a above. If filing Schedule NRH - see instructions.....2c. .00
- (d) Loss add-backs. (See instructions.).....2d. .00
3. **Total Income.** Add lines 1a through 1e **OR** lines 2a through 2d above.....3. .00

Note that if the amount on line 3 is more than the amount shown in the table below for your filing status and the number of qualifying children and dependents on Form 1040ME, line 13a, you do not qualify for the property tax fairness credit.

If your Filing Status is:	AND Form 1040ME, line 13a is:		
	0	OR 1	OR more than 1
	Your maximum income limitation is:		
Single	\$34,167	\$34,167	\$34,167
Head of Household	\$44,167	\$44,167	\$55,000
Married filing Jointly or Qualifying Widow(er)	\$44,167	\$55,000	\$55,000

If the amount on line 3 is more than the maximum income amount shown in the sales tax fairness credit table (see instructions for line 13) for your filing status and the number of qualifying children and dependents on Form 1040ME, line 13a, you do not qualify for the sales tax fairness credit.

Continue on next page.
To apply for the property tax fairness credit, go to line 4. If you are applying only for the sales tax fairness credit, go to line 13.



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PROPERTY TAX FAIRNESS CREDIT (lines 4 through 12):

DO NOT ENTER \$ signs, commas, or decimals:

4. Enter the property tax you paid on your home in 2019. (See instructions.)4. .00
If you paid no property tax in 2019, skip to line 5a.
5. (a) Enter the rent you paid on your home in 2019. (See instructions.)5a. .00
If you paid no rent in 2019, skip to line 6.
- (b) Does the rent entered on line 5a include heat, utilities, furniture or similar items? 5b. ☐ Yes ☐ No
- (c) If line 5b is yes and you know the amount paid for heat, utilities, furniture or similar items, enter that amount on line 5c. If yes, and you do not know the amount paid, multiply line 5a by 15% (.15) and enter the result on line 5c. If line 5b is no, enter "0" on line 5c. 5c. .00
- (d) Line 5a minus line 5c. 5d. .00
- (e) Multiply line 5d by 15% (.15). 5e. .00
- (f) Landlord's name and telephone number:
6. Add lines 4 and 5e. 6. .00
7. Enter the amount shown in the table below for your filing status and the number of qualifying children and dependents on Form 1040ME, line 13a: 7. .00

If your Filing Status is:	AND Form 1040ME, line 13a is:		
	0	OR 1	OR more than 1
Your maximum benefit base is:			
Single	\$2,050	\$2,050	\$2,050
Head of Household	\$2,650	\$2,650	\$3,300
Married filing Jointly or Qualifying Widow(er)	\$2,650	\$3,300	\$3,300

8. Benefit base. Enter the smaller of line 6 or line 7 8. .00
9. Multiply line 3 by 6% (.06). 9. .00
- (a) Is the amount on line 8 more than the amount on line 9? If yes, go to line 10 below. If no, you do not qualify for the property tax fairness credit. Go to line 13 below to apply for the sales tax fairness credit. 9a. ☐ Yes ☐ No
10. Subtract line 9 from line 8. 10. .00
11. Were you or your spouse (if married filing jointly) at least 65 years of age during the tax year? 11. ☐ Yes ☐ No
- (a) If yes, enter \$1,200. If no, enter \$750. 11a. .00
12. Enter line 10 or line 11a, whichever is smaller, here and on **Form 1040ME, line 25d**. 12. .00

SALES TAX FAIRNESS CREDIT (lines 13 and 13a):

13. See the table on page 16 for your filing status. Enter the amount shown for your total income from line 3 and the number of qualifying children and dependents. If you are filing Schedule NR or Schedule NRH, go to line 13a. Otherwise, enter this amount on Form 1040ME, line 25e. 13. .00
- (a) **PART-YEAR RESIDENTS FILING SCHEDULE NR OR SCHEDULE NRH - You must prorate the sales tax fairness credit.** Schedule NR, multiply line 13 by the Maine-source income ratio (1.0000 minus Schedule NR, line 7). Schedule NRH, multiply line 13 by the Maine-source income ratio of your income (1.0000 minus Schedule NRH, line 7, column C). Enter the result here and on Form 1040ME, line 25e. 13a. .00

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 a **refundable Property Tax Fairness Credit** up to \$750 (\$1,200 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 2019 was not more than the amount shown in the table below for your filing status and the number of qualifying children and dependents you claim:

If your Filing Status is:	AND Form 1040ME, line 13a is:		
	0	OR 1	OR more than 1
	Your maximum income limitation is:		
Single	\$34,167	\$34,167	\$34,167
Head of Household	\$44,167	\$44,167	\$55,000
Married filing Jointly or Qualifying Widow(er)	\$44,167	\$55,000	\$55,000

- You paid property tax on your home (principal residence) in Maine during the tax year that is greater than 6% of your total income or you paid rent on your home (principal residence) in Maine during the tax year that is greater than 40% of your total income. **Note** that the amount of property tax or rent you can include may be limited. See line 7 on Schedule PTFC/STFC.

You may qualify for a **refundable Sales Tax Fairness Credit** up to \$225, 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 2019 was not more than \$26,750 if filing single; \$41,600 if filing head of household; or, \$52,500 if married filing jointly or qualifying widow(er).

See the line 13 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 1 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 8-11;
- Check the applicable boxes on lines 12a through 12d if either you or your spouse were 65 years or over or blind during 2019;
- 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 12 on Form 1040ME, line 25d;
- Enter the amount from Schedule PTFC/STFC, line 13 or line 13a, whichever applies, on Form 1040ME, line 25e;
- Enter the sum of Form 1040ME, lines 25d and 25e on Form 1040ME, lines 25f, 27, 28, 32 and 33b. Any refund will be mailed to you. However, if you want your refund deposited directly into your checking or savings account, also complete lines 33c, 33d and 33e.

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 5a or Form 1040-SR, line 5a). 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; 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 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 7b or Form 1040-SR, line 7b. 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) shown on federal Form 1040 or Form 1040-SR, line 6 and federal Schedule 1, lines 3, 4, 5, 6, and 8. 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 13.

Line 4. Property Tax. If you owned your home in Maine and lived in that home during 2019, enter the amount of property tax paid during 2019 on your house and house lot up to 10 acres. 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 2019.
- 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. 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 2019 on line 4 and the rent you paid during 2019 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.

Line 5a. Enter the total rent you paid for your home (principal residence) in Maine during 2019. 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 13. 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 13.

Example. If your filing status is **married filing jointly**, your total income from Schedule PTFC/STFC, line 3 is **\$49,500**, and you claim **3 qualifying children and dependents**, enter \$65 on Schedule PTFC/STFC, line 13.

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	20,750	125
20,751	21,250	115
21,251	21,750	105
21,751	22,250	95
22,251	22,750	85
22,751	23,250	75
23,251	23,750	65
23,751	24,250	55
24,251	24,750	45
24,751	25,250	35
25,251	25,750	25
25,751	26,250	15
26,251	26,750	5
26,751	27,250	0

If your filing status is **Married filing jointly** or **Qualifying widow(er)**, 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	41,500	175	200	225
41,501	42,500	155	180	205
42,501	43,500	135	160	185
43,501	44,500	115	140	165
44,501	45,500	95	120	145
45,501	46,500	75	100	125
46,501	47,500	55	80	105
47,501	48,500	35	60	85
48,501	49,500	15	40	65
49,501	50,500	0	20	45
50,501	51,500	0	0	25
51,501	52,500	0	0	5
52,501	53,500	0	0	0

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	31,100	175	200	225
31,101	31,850	160	185	210
31,851	32,600	145	170	195
32,601	33,350	130	155	180
33,351	34,100	115	140	165
34,101	34,850	100	125	150
34,851	35,600	85	110	135
35,601	36,350	70	95	120
36,351	37,100	55	80	105
37,101	37,850	40	65	90
37,851	38,600	25	50	75
38,601	39,350	10	35	60
39,351	40,100	0	20	45
40,101	40,850	0	5	30
40,851	41,600	0	0	15
41,601	42,350	0	0	0