



MAINE CAPITAL INVESTMENT CREDIT WORKSHEET FOR TAX YEAR 2011 36 MRSA § 5219-GG

Read the instructions before completing this worksheet.
Attach copy of Federal Form 4562.

TAXPAYER NAME: _____ EIN/SSN: _____

Note: Owners of pass-through entities (partnerships, LLCs, corporations, trusts) making an eligible investment, see instructions. A nonresident owner of a pass-through entity participating in a Maine composite return may not claim this credit. For more information on composite filing, see Maine Revenue Services Rule 805 at www.maine.gov/revenue/rules/homepage.html. If not participating in a composite filing, enter name and ID number of the pass-through entity on the lines below.

NAME OF PASS-THROUGH ENTITY

EIN/SSN

1. Depreciation allowance claimed on 2011 federal Form 4562, line 14 plus line 25 1. _____

2. Amount on line 1 associated with property placed in service in Maine. (also enter this amount on Form 1040ME, Schedule 1, line 1f or Form 1120ME, line 4e; Form 1041ME, Schedule 1, line 1f) 2. _____

Note: Do not claim this credit if you transferred the Maine property out-of-state or otherwise removed the property from use during the tax year. Also do not claim the credit if you plan to transfer the property out-of-state or remove the property from use after the tax year within 12 months of placing the property into service in Maine. Other limitations apply. See instructions.

3. Total available credit (line 2 multiplied by 10%). Enter this amount on Form 1040ME, Schedule A, line 11; Form 1120ME, Schedule C, line 29f or Form 1041ME, Schedule A, line 7 3. _____

2011
MAINE CAPITAL INVESTMENT CREDIT
WORKSHEET INSTRUCTIONS

This credit is available to businesses that invest in certain depreciable property in Maine in tax years beginning in 2011 or 2012 and that claim a bonus depreciation deduction for federal income tax purposes on that property. Income tax filers eligible to claim the credit (including owners of pass-through entities) may elect to either claim the credit or to claim the bonus depreciation addition modification and the related depreciation recapture subtraction modifications in future years (see instructions for Form 1040ME, Schedule 1, lines 1e & 2j; Form 1041ME, Schedule 1, lines 1e & 2f; Form 1120ME, lines 2i & 4f). The election may be made with respect to each eligible property placed in service in Maine. If the credit is claimed, the related income addition modification (Form 1040ME, Schedule 1, line 1f; Form 1041ME, Schedule 1, line 1f; Form 1120ME, line 4e) may not be recaptured in future years.

For taxpayers electing to claim the credit, the credit is equal to 10% of the federal bonus depreciation claimed under IRC § 168(k) for property placed in service in Maine during the taxable year. The credit is limited to the tax liability of the taxpayer, but any unused portion may be carried forward for up to 20 years. The credit is subject to full recapture if the property is not used in Maine for the entire 12-month period following the date placed in service. The taxpayer must add back to income bonus depreciation claimed on property for which the credit is claimed. Amounts added back to income may not be recaptured in future years. This credit may not be claimed by the following businesses:

- Public utilities (defined under 35-A MRSA, § 102);
- Persons providing radio paging services (defined under 35-A MRSA, § 102);
- Persons providing mobile telecommunications services (defined under 35-A MRSA, § 102);
- Cable television companies (defined under 30-A MRSA, § 2001);
- Persons providing satellite-based direct television broadcast services; and
- Persons providing multichannel, multipoint television distribution services.

Also, you may not claim a credit with respect to property transferred out-of-state or otherwise removed from use in Maine during the same tax year it was placed in service in Maine. In addition, the credit may not be claimed by a nonresident owner of a pass-through entity who is participating in a composite return. For more information on composite filing, see Maine Revenue Services Rule 805 at www.maine.gov/revenue/rules/homepage.html.

In the case of pass-through entities (such as partnerships, LLCs, S corporations, trusts), the partners, members, shareholders, beneficiaries or other owners are allowed a credit on their ownership share of the bonus depreciation generated by the pass-through entity that is eligible for the credit.

SPECIFIC LINE INSTRUCTIONS

Enter the taxpayer name and employer identification number ("EIN") or social security number ("SSN").

Line 2. If all of the property for which federal bonus depreciation was claimed is located in Maine, enter the amount from line 1. If the amount on federal Form 4562, line 14 plus line 25 includes depreciation for property placed in service both in Maine and outside Maine, attach a schedule showing the breakdown of bonus depreciation claimed on Maine property and that claimed on non-Maine property.

The credit is limited to your Maine income tax liability. If you didn't use all of the credit this year, you may carry the unused portion forward for up to 20 years, until exhausted.