



JOBS AND INVESTMENT TAX CREDIT WORKSHEET FOR TAX YEAR 2008 36 M.R.S.A. § 5215

TAXPAYER NAME: _____ EIN/SSN: _____

Note: Owners of pass-through entities (partnerships, LLCs, S corporations, trusts, etc.) making an eligible investment, see instructions. Also, please provide name and ID number of the pass-through entity on the lines below.

NAME OF PASS-THROUGH ENTITY	EIN/SSN
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Part 1

1. 2008 qualified investment attributable to property located in Maine (must be at least \$5,000,000) 1. _____
2. 2008 qualified federal credit (See instructions. The taxpayer must meet the criteria in Parts 2A & 2B below in order to claim a credit amount on this line.) 2. _____
3. Carryover from prior years (see instructions) 3. _____
4. Total available credit (add lines 2 and 3). Do not enter more than \$500,000. Enter here and on Form 1120ME, Schedule C, line 29b, or Form 1040ME, Schedule A, line 18 4. _____

VERIFICATION OF JOB CREATION FOR INVESTMENT IN 2008 (See instructions)

Part 2A

5. 2005 unemployment contribution wages 5. _____
6. 2006 unemployment contribution wages 6. _____
7. 2007 unemployment contribution wages 7. _____
8. Enter greatest of line 5, 6 or 7 8. _____
9. 2008 unemployment contribution wages (The unemployment compensation may be for 2008, 2009 or 2010 - *see instructions*) 9. _____
10. New jobs credit base. Subtract line 8 from line 9 (You do not qualify for the credit if less than \$1,200,000)..... 10. _____

Part 2B

11. Date qualified investment placed in service in Maine 11. _____
12. Were there at least 100 new jobs created within 2 years of the date on line 11?..... 12. Yes No
- 12 a. If so, as of what date?..... 12 a. _____

2008
JOBS AND INVESTMENT TAX CREDIT
WORKSHEET INSTRUCTIONS

This credit is based on the qualified federal investment credit as it existed in IRC §38(b)(1), as of December 31, 1985 that is directly and solely attributable to a qualified investment in Maine. A qualified investment generally consists of new or used tangible personal property (other than air conditioning or heating units) and certain other tangible property (not including a building and its structural components) that is depreciable and that is used as an integral part of manufacturing, production, or extraction, or property that is related to furnishing transportation, communications, electrical energy, gas, water, or sewage disposal services. Other property such as certain research facility property, elevators and escalators, agricultural structures, and certain rehabilitated property, timber property and storage facilities may also be considered qualified investments.

Public utilities may not claim this credit. Retail facilities may not claim this credit unless it can be shown that the investment will not adversely affect existing businesses in Maine.

For purposes of the Maine credit, a qualified investment of at least \$5 million must be made attributable to new or used property located in Maine. Used property is defined as property originally placed in service by the taxpayer outside Maine. The basis for used property placed in service prior to January 1, 1997 is the original cost. For used property placed in service on or after January 1, 1997, the basis is the adjusted basis (using straight-line depreciation) to account for the period of time the property was used outside Maine.

The qualified federal credit is equal to a percentage of the qualified federal investment, the rate dependent on the type of property placed into service. Generally, three federal rates apply: the regular percentage (10%), the energy percentage (from the federal table), and the rehabilitation percentage (from federal table).

To be eligible to claim this credit, a taxpayer must add at least 100 new jobs within two years of the qualified investment. The new jobs must: have a new jobs credit base of at least \$700,000 for the taxable year or for either of the next two calendar years and, for jobs created between 8/1/98 and 10/1/01, be covered by a retirement program, provide group health insurance and have wages higher than the average per capita wages in the labor market area where the jobs are located.

The Maine credit is limited to the lesser of \$500,000 or the regular income tax liability of the taxpayer. Any unused credit amounts may be carried over for an additional 6 years for a maximum credit of \$3.5 million. Recapture provisions apply for qualified investments disposed of prior to the end of its useful life. Special provisions apply to corporations that are members of an affiliated-unitary group. Businesses cannot receive both this credit and benefits from the Employment tax Increment Financing Program, 36 M.R.S.A. §§6751-61, in the same tax year.

In the case of pass-through entities (partnerships, LLCs, S Corporations, Trusts, etc.), the partners, members, stockholders, beneficiaries, etc., are allowed a credit in proportion to their respective interest in these entities. Attach a schedule showing the credit generated by the pass-through entity and the assignment/distribution to each partner, shareholder, beneficiary, etc. Include the name, address, and federal ID number of the pass-through entity on the schedule and the name and SSN/EIN of each partner, shareholder, beneficiary, etc.

SPECIFIC LINE INSTRUCTIONS

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

Part 1

- Line 1. **Qualified Investment.** Enter the federal qualified investment made during the taxable year attributable to property located in Maine. Must be at least \$5,000,000. (**NOTE:** If less than \$5,000,000 there is no credit.) See general instructions above for a description of property constituting a qualified investment.
- Line 2. The **qualified federal credit** is determined by application of the IRC of 1954 as of December 31, 1985, Sections 38, 46 and 48. The amount entered on this line must be attributable to property (qualified investment) located in Maine. In addition, the taxpayer must meet the criteria contained in Part 2 in order to claim a credit amount on this line. **Attach a schedule itemizing the qualified investment by property type and applicable federal percentage for purposes of the qualified federal investment credit as it existed in the IRC of 1954, §38(b)(1), as of December 31, 1985. Indicate whether the property is new or used when placed into service in Maine. For used property, attach a schedule showing depreciation for use of the property outside Maine.**
- Line 3. **Carryover from prior year.** The carryover amount is the portion of the available credit not taken last year because it either exceeded \$500,000 or the tax liability of the taxpayer. The carryover period is limited to 6 years. Enter the allowable carryforward amount on this line. Provide a schedule showing your entry on this line.
- Line 4. **Total available Credit .** The available credit is limited to the tax liability of the taxpayer. For taxable corporations, this limitation is applied on Form 1120ME, Schedule C. For individuals, the limitation is applied on Form 1040ME, Schedule A. Any unused credit amount resulting from this limitation or the \$500,000 limitation may be carried forward for up to 6 years, except that in no event may a credit (including carryover) relating to a qualified investment be claimed for more than 7 years.

Part 2

Complete Part 2A to verify that 100 new jobs, with a credit base of at least \$1,200,000, were created relative to the qualified investment on line 1. If line 10 is not at least \$1,200,000, you are not eligible to take the credit this year but may qualify if the new jobs credit base requirement is met in 2009 or 2010. (**NOTE:** Adjustments to tax years prior to 2000 need to be made for unemployment contribution wages. This is due to an increase in the amount of unemployment taxable wages from \$7,000 to \$12,000 beginning in 2000. To compensate for this increase, multiply the unemployment contribution wages prior to 2000 by 12/7 (1.7143)). Complete Part 2B to show that the 100 new jobs relative to the qualified investment on line 1 were created within 2 years of the date that the qualified investment was placed in service in Maine.

- Line 9. Enter the unemployment compensation wages from the year in which the 100 employee new job credit base is reached. For investments placed in service in 2008, this may be the unemployment compensation wages from 2008, 2009 or 2010. The applicable wage base is entered on line 9 of the worksheet for the year of investment. If the new jobs credit base is reached in an allowable year subsequent to the investment year, an amended income tax return, for the year of investment, must be filed.