



**CREDIT FOR EDUCATIONAL OPPORTUNITY
WORKSHEET FOR INDIVIDUALS
FOR TAX YEAR 2011
36 MRSA § 5217-D**

TAXPAYER NAME: _____ SSN: _____

Did you receive (check one): Bachelor's degree Associate degree. Date of graduation: _____

Did your employer(s) make eligible education loan payments on your behalf during your 2011 tax year? YES NO

If yes, complete the following employer information:

EMPLOYER NAME: _____ EIN: _____

If more than one employer, attach a schedule showing information for all employers.

1. Enter the monthly benchmark loan payment amount (see instructions) 1. \$ _____
2. Enter the lesser of the following amounts 2. \$ _____
 - a. The monthly amount of eligible education loan payments **due** during your 2011 tax year, even if not what was actually paid, and regardless of whether the amount was paid by you, your employer or someone else (\$_____).
 - b. The monthly eligible education loan payment amount **actually paid** by you, your employer(s) and anyone else during your tax year beginning in 2011 (\$_____).
3. Enter the lesser of line 1 or line 2 3. \$ _____
4. With respect to that period of the tax year you were a resident of Maine working for an employer located in Maine, enter the number of months you, your employer and/or anyone else made eligible education loan payments (see instructions) 4. _____
5. Multiply line 3 by line 4 5. \$ _____
6. Enter the amount of line 5 paid by your employer(s) or anyone else 6. \$ _____
7. Subtract line 6 from line 5 7. \$ _____
- 8a. Enter total number of credit hours earned for the degree after December 31, 2007 8a. _____
- 8b. Enter total number of credit hours earned for the degree 8b. _____
- 8c. Divide line 8a by line 8b 8c. ____ . ____
9. Current year credit amount. Multiply line 7 by line 8c. 9. _____
10. Carryforward of unused credit amount from 2010 10. _____
11. Total credit available (line 9 plus line 10). Enter the result here and on Form 1040ME, Schedule A, line 10 11. _____
12. Carryforward to 2012 (see instructions) 12. \$ _____

IMPORTANT

Maine Revenue Services may request supporting documentation, including, but not limited to, the following: degree received; date of degree; academic credit hours earned for the degree prior to January 1, 2008 and after December 31, 2007; the institution(s) from which the degree was earned; the educational loans that qualify for the credit; the educational loan payments made by you or your employer during the tax year that qualify for the credit.

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WORKSHEET INSTRUCTIONS FOR INDIVIDUALS

GENERAL INSTRUCTIONS

Note: This worksheet and the related instructions are only for individual taxpayers who have made eligible education loan payments. Employers eligible to claim the related credit must complete a separate worksheet – the **Credit for Educational Opportunity Worksheet for Employers**.

The Credit for Educational Opportunity is a component of the Job Creation Through Educational Opportunity Program available after 2007. The purpose of the program is to provide an income tax credit for education-related costs for Maine residents who obtain an associate or bachelor's degree from a Maine college, junior college or university and who, after graduation, live, work and pay taxes in Maine. The credit is available to qualifying graduates and employers making eligible education loan payments.

Qualifying graduates are those individuals who meet all of the following:

- the individual was a Maine resident while attending a Maine college or university in pursuit of an associate or bachelor's degree*;
- all coursework for the associate or bachelor's degree was performed at a Maine college or university*;
- the individual obtained an associate or bachelor's degree from a Maine college or university after 2007 ; and
- after graduation, this individual is a Maine resident working for an employer located in Maine.

* For an individual already enrolled in a degree program when the Educational Opportunity program commenced on January 1, 2008, these requirements need only be met from January 1, 2008 forward.

Credit amount. The credit is equal to the eligible education loan payments (defined below) paid by the taxpayer during the tax year, limited to the benchmark loan payment amount. The benchmark loan payment amount is based on the in-state tuition and fees for the Maine Community College System or the University of Maine System, depending on whether the degree is an associate degree or a bachelor's degree and depending on the year of graduation. See Title 20-A, § 12542 (2-A). The benchmark loan payment amounts for 2011 are \$68 for an associate degree and \$344 for a bachelor's degree.

If the loan payments are made by both the graduate and the graduate's employer(s), the total combined credit of the graduate and all employers may not exceed the benchmark loan payment amount multiplied by the number of months during the tax year eligible loan payments were made. Also, a graduate and an employer may each claim a credit only on the basis of loan payments they each made. For example, a graduate may not claim a credit for a loan payment made by the employer. A credit may be claimed for both spouses on a married-joint return if both spouses are qualifying graduates. The credit may not reduce the tax due to less than zero. Any unused credit amount may be carried forward for up to ten years.

Eligible education loan payments, for purposes of this worksheet, are payments made by, or on behalf of, a qualifying graduate with respect to education loans that are part of a financial aid package for attendance at a Maine college or university. Payments made in excess of the annual amount required by the financial institution are not eligible for the credit. Payments made on loans with a term fewer than eight years do not qualify as eligible education loan payments. Payments made on refinanced eligible education loans qualify for the credit as long as the refinanced loan remains separate from any other debt incurred.

SPECIFIC INSTRUCTIONS

Enter your name and social security number ("SSN") in the spaces provided. Indicate whether you received a bachelor's degree or an associate degree. Enter date you graduated.

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SPECIFIC INSTRUCTIONS-CONTINUED

If your employer made eligible loan payments on your behalf during your tax year, enter employer name and EIN (employer identification number) in the spaces provided. Your employer's EIN should be located on your Form W-2.

Line 1. Enter the appropriate monthly benchmark loan payment amount as follows:

<u>If you graduated in:</u>	<u>and the degree you received was:</u>	
	<u>Associate</u>	<u>Bachelor's</u>
	<u>the benchmark loan payment amount is:</u>	

2008	*	*
2009	*	*
2010	\$72.00	\$343.00
2011	\$68.00	\$344.00

* The benchmark loan payment amount is the amount stated in the Opportunity Maine Contract you signed with your college or university. Attach a copy of the contract when claiming the credit. If you do not have a copy of the contract, attach a copy of a statement from the financial aide office indicating the benchmark loan payment amount for the year during which you graduated.

Line 2. Enter the lesser of the following: a) the monthly eligible education loan payment amounts due during your 2011 tax year (regardless of whether you, your employer or anyone else paid the amount); or, b) the monthly amount of eligible education loan payments actually made during your tax year by you, your employer and anyone else. To support amounts entered on this line, provide documentation from each lender showing the monthly payments due and the monthly payments actually made during your tax year beginning in 2011.

Line 4. Enter the number of months you, your employer and/or anyone else made loan payments while you were a Maine resident working for an employer located in this state. For example, if you made six eligible education loan payments beginning July 1, 2011, were a Maine resident from July 1, 2011 through the end of the year, and started working for a Maine employer August 1, 2011, enter 5 on line 4. In this example, there are only five months that you meet all of the requirements.

Line 6. Enter on line 6 the total amount of eligible education loan payments made by anyone other than you during the tax year. For a definition of eligible education loan payments, see the General Instructions.

Line 8. The credit is limited to the percentage of credit hours earned after 2007. Divide line 8a by line 8b. Enter the result as a decimal carried out 4 places (example, $30/120 = 0.2500$). If all credit hours were earned after 2007 (lines 8a and 8b are equal), enter 1.0000.

Line 12. Enter on this line the amount from line 11 that was not used this year. The allowable credit is limited to the tax otherwise due. This limitation is applied on Maine Schedule A, line 20. Any unused credit resulting from the limitation may be carried forward to succeeding tax years for up to 10 years. Keep a copy of the worksheet as a reminder of the amount of unused credit you carry forward to tax year 2012.