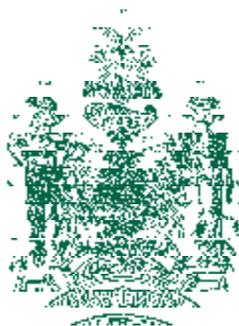


# Maine Revenue Services 2000

## Filing for Maine Income Tax Withholding

### Form 941ME



#### Questions regarding:

Income Tax Withholding	207-626-8475
Unemployment Contributions	207-287-3176

#### New for 2000

**Payroll Processors** are now required to show proof of liability insurance. See page 4 for details.

**Maine Form W-4ME.** This new Maine form is effective January 1, 1999. See page 2 for details.

**Electronic Funds Transfer (EFT).** Some employers will be required to make withholding payments by EFT. See page 4 for details.

**IF YOU ARE LIABLE FOR UNEMPLOYMENT CONTRIBUTIONS IN ADDITION TO INCOME TAX WITHHOLDING, YOU MUST FILE FORM 941/C1-ME. CALL MAINE REVENUE SERVICES AT 207-626-8475 FOR INFORMATION.**



## Electronic Funds Transfer

**Electronic Funds Transfer.** Employers who use Maine Revenue Services' Internet Filing Option for their quarterly combined withholding and unemployment return (CQR) have the option of paying by Debit Method at the same time the return is filed. Debit Method means you authorize Maine Revenue Services to withdraw the amount owed on the CQR return from the bank account you designate.

Taxpayers with annual withholding liabilities of \$200,000 or more are mandated by Rule 102 to pay electronically. You will be separately notified if mandated. Additionally, payroll processors who remit on behalf of clients are required to remit using ACH Credit Method.

To obtain an ACH Credit Method application, a copy of Rule 102 or to get more information, send e-mail to [electronic\\_funds\\_transfer@state.me.us](mailto:electronic_funds_transfer@state.me.us), call 207-287-8276 or write: EFT Unit, Maine Revenue Services, 24 State House Station, Augusta, ME 04333-0024. Electronic Funds Transfer information and forms can also be downloaded from the Maine Revenue Services web site at <http://janus.state.me.us/revenue>.

**Penalty for Insufficient Funds.** The penalty for insufficient funds applies to electronic funds transfers. The penalty is \$10 or 1% of the payment amount, whichever is greater.

**Penalty for Failure to Pay by Electronic Funds Transfer.** Any person required to pay by electronic funds transfer who fails to do so is liable for a penalty equal to the lesser of 5% of the tax due or \$5,000.

## Tax Law Changes

**Payroll Processors.** Beginning with registrations due January 30, 2000, most payroll processors required to register with the State must provide proof of liability insurance equal to twice the highest weekly payroll processed by the business in the preceding year or \$5,000,000, whichever is less. For liability insurance coverage, the processor may choose from one of the following: fidelity bond, employee dishonesty bond, third-party fidelity coverage or liability insurance that includes crime coverage.



**Use the extra tax form in this booklet if you make an error on your quarterly tax return.**

**Line 1.** Enter on line 1 the amount of Maine income tax withheld during the period covered. If you are required to make payment of income tax withholding semi-weekly, complete the reconciliation schedule on the return and enter the total amount withheld from line 4 on this line.

**Line 2.** If you are required to make payment of income tax withholding semi-weekly, complete the reconciliation schedule on the return and enter the total amount remitted (either with Forms 900ME or by EFT) from line 5 on this line. For additional information on who is required to make payments of income tax withholding semi-weekly, see the specific instructions for reconciliation of 900ME voucher payments below.

**Line 3.** Enter the total Maine income tax withholding due with this return (line 1 minus line 2). Enclose your remittance with the return.

### **Reconciliation of 900ME Payments or EFT Payments of Income Tax Withholding**

If you are required to make payment of income tax withholding on a semi-weekly basis, complete Schedule 1 on the return. Complete one row of the schedule for each payroll during the quarter.

Employers who reported Maine income tax withholding of \$18,000 or more for the 12 months ending June 30, 1999 are required to make semi-weekly payments of income tax withholding using the following schedule:

<u>Day Wages Paid</u>	<u>Remittance Due</u>
Wednesday, Thursday, Friday	On or before the following Wednesday
Saturday, Sunday, Monday, Tuesday	On or before the following Friday

Payments may be made either by voucher (Form 900ME) or Electronic Funds Transfer (EFT). See page 3 of this booklet to find your withholding tax remittance frequency. Your required remittance frequency will either be semi-weekly or quarterly.

**Line 4.** If you remit semi-weekly withholding payments, enter the total amount withheld this quarter. Enter this amount on line 1.

**Line 5.** Enter the total amount of withholding paid this quarter. Include amounts remitted with Forms 900ME as well as amounts sent by EFT. Enter this amount on line 2.

## INSTRUCTIONS FOR AMENDED RETURN

**Purpose of Form:** Use Form 941A-ME to correct an error in income tax withheld for an earlier quarter. Please do not make adjustments on any current Form 941ME or 941/C1-ME to amend the period for which the error was made. Prepare a separate 941A-ME for each quarter in which an error was made.

**Period Covered:** Enter the beginning and ending dates of the period being corrected. For example, if the error was made in the first quarter of 2000, enter 01-01-00 - 03-31-00.

**Line 1:** Enter the withholding amount previously reported for the quarter being corrected.

**Line 2:** Enter the correct withholding amount for the quarter being corrected.

**Line 3:** Line 1 minus line 2. This amount may be either positive or negative. If it is negative, enter a minus sign in the box to the left of the number.

**Line 4. Balance Due:** If the amendment results in a balance due (line 2 larger than line 1), enter the balance due amount on line 4 and enclose a check for that amount. Mail the payment to Maine Revenue Services, Income/Estate Tax Division, P.O. Box 1061, Augusta, ME 04332-1061.

**Line 5. Overpayment:** If the amendment results in an overpayment (line 1 larger than line 2), enter the overpayment on line 5. A refund check will be mailed to you.

**Line 6:** Use this space to enter an explanation of the error you are correcting.

## INSTRUCTIONS FOR AMENDED RETURN

**Purpose of Form:** Use Form 941A-ME to correct an error in income tax withheld for an earlier quarter. Please do not make adjustments on any current Form 941ME or 941/C1-ME to amend the period for which the error was made. Prepare a separate 941A-ME for each quarter in which an error was made.

**Period Covered:** Enter the beginning and ending dates of the period being corrected. For example, if the error was made in the first quarter of 2000, enter 01-01-00 - 03-31-00.

**Line 1:** Enter the withholding amount previously reported for the quarter being corrected.

**Line 2:** Enter the correct withholding amount for the quarter being corrected.

**Line 3:** Line 1 minus line 2. This amount may be either positive or negative. If it is negative, enter a minus sign in the box to the left of the number.

**Line 4. Balance Due:** If the amendment results in a balance due (line 2 larger than line 1), enter the balance due amount on line 4 and enclose a check for that amount. Mail the payment to Maine Revenue Services, Income/Estate Tax Division, P.O. Box 1061, Augusta, ME 04332-1061.

**Line 5. Overpayment:** If the amendment results in an overpayment (line 1 larger than line 2), enter the overpayment on line 5. A refund check will be mailed to you.

**Line 6:** Use this space to enter an explanation of the error you are correcting.

## EMPLOYER'S TAX CALENDAR

<u>RETURN</u>	<u>FORM #</u>	<u>DUE DATES</u>
SEMI-WEEKLY PAYMENTS OF WITHHELD INCOME TAXES	900ME	If your Withholding Tax Remittance Frequency is semi-weekly and wages are paid on Wednesday, Thursday or Friday, payment of withheld income taxes is due the following Wednesday. If the wages are paid on Saturday, Sunday, Monday or Tuesday, the payment of withheld income taxes is due the following Friday. Use the Employer's Payment Voucher For Maine Income Tax Withheld (Form 900ME, provided by Maine Revenue Services in a separate booklet) to make your payments. Note: Do not use Form 900ME if you are making your payments by Electronic Funds Transfer (EFT).
QUARTERLY RETURN OF INCOME TAX WITHHOLDING AND UNEMPLOYMENT CONTRIBUTIONS	941ME 941/C1-ME	Must be filed by all employers registered to remit income tax withholding and/or unemployment contributions. The form is used to report income taxes withheld for the quarter, to reconcile payments of income taxes withheld made during the quarter, to calculate your unemployment insurance contributions for the quarter, to report your employee wage listing for the quarter and to make payment for any balance due for income taxes withheld and/or unemployment contributions. The quarterly return is due the last day of the month following the end of each calendar quarter, even if there is no withholding tax or unemployment contributions to report.
ANNUAL RECONCILIATION	W-3ME	Due February 28 of the following year or at termination of business.

### TELE-TAX AUTOMATED INFORMATION - EVERY DAY, 24 HOURS, CALL: 207-624-7875

#	Withholding Topics	#	Labor Topics
301	I have not received my 900 ME forms. How do I remit withholding tax payments?	310	Does Maine accept magnetic media reporting for year-end W-2s and 1099s?
302	What is my payment frequency for remitting Maine withholding tax?	801	Am I required to pay Unemployment tax?
303	What is the due date for remitting quarterly and semiweekly 900ME withholding payments?	802	What is the tax rate for new employers?
304	How do I obtain a copy of the current Maine withholding tax tables?	803	What payments are included in "reportable wages"?
305	I am a seasonal employer. How do I file and remit Maine withholding tax?	804	What are "excess wages"?
306	How do I amend my Maine withholding tax return if I have understated or overstated my tax liability?	805	How do I report "seasonal" and "nonseasonal" wages?
307	I am establishing a new business. How do I register to remit Maine income tax withholding?	806	Is there an alternative to paying unemployment tax?
308	I am a New Hampshire employer and have Maine residents working for my business. Am I required to withhold Maine tax from these employees?	807	Am I required to pay the Federal Unemployment tax?
309	Does Maine require a year-end reconciliation of withholding tax liability and copies of W-2s and 1099s?	808	What records am I required to keep and for how long?
		809	Can I file employer reports on magnetic media?

This automated phone line is available every day, 24 hours. Simply dial the phone number listed above and follow the directions as they are spoken. The number listed to the left of each question corresponds to the 3-digit topic number mentioned on the Tele-Tax phone line.

