

**FORM  
W-4ME**

**MAINE  
Employee's Withholding Allowance Certificate**

1. Type or print your First Name _____ M.I. _____ Last Name _____  Home address (number and street or rural route) _____  City or town _____ State _____ ZIP Code _____	2. Your Social Security number _____  3. <input type="checkbox"/> Single <input type="checkbox"/> Married  <input type="checkbox"/> Married, but withholding at higher Single Rate  <small>Note: If married but legally separated, or spouse is a nonresident alien, check the single box.</small>
4. Total number of allowances you are claiming from line C of the worksheet below ..... 4. _____	
5. Additional amount, if any, you want withheld from your paycheck ..... 5. \$ _____	
6. If you <b>do not want any</b> state income tax withheld, check the appropriate box that applies to you (you must qualify - see instructions below). By signing below, you certify that you qualify for the exemption that you select:	
a. You claimed "Exempt" on line 7 of your federal Form W-4 ..... 6a. <input type="checkbox"/>	
b. You completed federal Form W-4P and checked the box on line 1 ..... 6b. <input type="checkbox"/>	
c. Resident employee with no Maine tax liability in prior or current year ..... 6c. <input type="checkbox"/>	
d. Recipient of periodic retirement payments with no tax liability in prior or current year ..... 6d. <input type="checkbox"/>	

Under penalties of perjury, I certify that I am entitled to the number of withholding allowances or the exemption claimed on this certificate.

**EMPLOYEE'S/PAYEE'S SIGNATURE**

(Form is not valid unless you sign it.) ▶

Date ▶

TO BE COMPLETED BY EMPLOYER/PAYER (see Instructions)	
7. Employer/Payer name and address ( <b>Employer/Payer:</b> Complete lines 7, 8, 9, and 10 only if sending to Maine Revenue Services) _____	8. Employer/Payer Identification Number _____ _____
9. Employer/Payer Contact Person: _____	10. Contact Person's Phone Number: _____ ( _____ ) _____ - _____

----- Cut here and give the certificate above to your employer. Keep the part below for your records. -----

**Employee/Payee Instructions**

**Purpose:** Complete Form W-4ME so your employer/payer can withhold the correct Maine income tax from your pay. Because your tax situation may change, you may want to recalculate your withholding each year.

**General instructions:** If you qualify for one of the Maine exemptions from withholding, please complete lines 1, 2, 3 and 6, and sign the form. Otherwise, complete the Personal Allowances worksheet below. You may claim fewer allowances than you are entitled to, but you must obtain special permission from the Executive Director of Maine Revenue Services if you want to claim more allowances than claimed on your federal Form W-4.

**Box 3.** Select the marital status that applies to you. Married individuals have the option of withholding at the higher single rate.

**Line 6. Exemptions from withholding:**

Line 6a. You may check this box if you claimed "Exempt" on line 7 of your federal Form W-4. Do not check this box if you want Maine income taxes withheld even though you are exempt from federal withholding.

Line 6b. You may check this box if you completed federal Form W-4P and put a check in the box on line 1. Do not check this box if you want Maine income taxes withheld even though you are exempt from federal withholding.

Line 6c. You may elect this exemption if you are an employee receiving wages and you meet both of the following conditions:

1. You had **no** Maine income tax liability last year, **and**
2. You reasonably expect to have **no** Maine income tax liability this year.

This exemption will expire at the end of the year and you must complete a new Form W-4ME for next year or you will be subject to Maine withholding at the maximum rate.

Line 6d. You may elect this exemption if you receive periodic retirement payments pursuant to IRC § 3405, you had no Maine income tax liability in the prior year and you reasonably expect you will have no Maine income tax liability this year. This election will remain in effect until you complete a new Form W-4ME.

**Note:** You may be subject to penalty if you do not have sufficient withholding to meet your Maine income tax liability.

**Personal Allowances Worksheet**

A. Number of allowances claimed on federal Form W-4, line 5 or Form W-4P, line 2. ....	A. _____
B. Less: Number of allowances claimed on federal Form W-4 Personal Allowances Worksheet, line G for the Child Tax Credit. ....	B. _____
C. Number of allowances for Maine purposes (line A minus line B). See general instructions above if you want to claim fewer allowances or more allowances than claimed for federal purposes. ....	C. _____

## Notice to Employers and Other Payers

Maine law requires employers and other persons to withhold money from certain payments, most commonly wages, retirement payments and gambling winnings, and remit to Maine Revenue Services for application against the Maine income tax liability of employees and other payees. The amount of withholding must be calculated according to the provisions of Rule No. 803 (See [www.maine.gov/revenue/rules](http://www.maine.gov/revenue/rules)) and must constitute a reasonable estimate of Maine income tax due on the receipt of the payment. Amounts withheld must be paid over to Maine Revenue Services on a periodic basis as provided by Title 36 M.R.S.A. Chapter 827 ( §§ 5250 - 5255-B) and Rule No. 803 (18-125 CMR 803).

### **Employer/Payer Information for Completing Form W-4ME**

An employer/payer is required to submit a copy of Form W-4ME, along with a copy of any supporting information provided by the employee/payee, to Maine Revenue Services if:

- A. The employer/payer is required to submit a copy of federal Form W-4 to the Internal Revenue Service either by written notice or by published guidance as required by federal regulation 26 CFR 31.3402(f)(2)-1(g); or
- B. An employee performing personal services in Maine furnishes a Form W-4ME to the employer containing a non-Maine address and for any reason claims no Maine income tax is to be withheld. This submission is not required if the employer reasonably expects that the employee will earn annual Maine-source income of less than \$5,000 or if the employee is a nonresident working in Maine for no more than 10 days for the calendar year and is, therefore, exempt from Maine income tax withholding pursuant to MRS Rule 803 Section 3.1.I.1.

Submit copies of Form W-4ME directly to the Withholding Unit separately from any other tax filing.

Employers/Payers must complete lines 7 through 10 only if required to submit a copy of Form W-4ME to Maine Revenue Services (MRS).

- ✓ Line 7 Enter employer/payer name and business address.
- ✓ Line 8 Enter employer/payer federal identification number (EIN and/or SSN).
- ✓ Line 9 Enter employer/payer contact person that can answer questions about withholding (i.e. human resources person, company officer, accountant, etc.)
- ✓ Line 10 Enter employer/payer contact person's phone number.

### **Important Information for Employers/Payers**

#### **Missing or invalid Forms W-4, W-4P or W-4ME**

If any of the circumstances below occur, the employer or payer must withhold as if the employee or payee were single and claiming no allowances. Maine income tax must be withheld at this rate until such time that the employee or payee provides a valid Form W-4ME.

- (1) The employee/payee has not provided a valid, signed Form W-4ME;
- (2) The employee's/payee's Form W-4 or W-4P is determined to be invalid for purposes of federal withholding;
- (3) The assessor notifies the employer/payer that the employee's/payee's Form W-4ME is invalid; or
- (4) The employee's/payee's Personal Withholding Exemption Variance Certificate has expired, a new variance certificate has not been approved and submitted to the employer/payer, and the payee has not provided the payer with a valid Form W-4ME.

#### **Exemptions from withholding Form W-4ME, line 6**

Generally, employers/payers must withhold from payments subject to Maine income tax unless an exemption is indicated on Form W-4ME, line 6.

**Federal exemption from withholding** (see Form W-4ME, lines 6a and 6b). An employee/payee who is exempt from federal income tax withholding is also exempt from Maine income tax withholding. This includes recipients of periodic retirement payments who are exempt from federal income tax withholding. The employee/payee must check the applicable box on Form W-4ME, line 6. An employee/payee exempt from federal withholding that wants Maine withholding must leave line 6 blank.

**Resident employee exemption from Maine withholding** (see Form W-4ME, line 6c). A resident employee who is subject to federal income tax withholding is exempt from Maine income tax withholding if the employee had no Maine tax liability for the prior year and expects to have no Maine tax liability for the current year. The exemption so indicated on line 6c expires at the end of each year. If the employee fails to submit a new Form W-4ME for the next calendar year, the employer must begin withholding at the single rate with no allowances.

**Withholding from payments to nonresident employees.** An employee who is exempt from Maine income tax because of the nontaxable thresholds applicable to nonresidents is not required to complete and submit Form W-4ME; however, an employee becomes subject to Maine income tax withholding immediately upon exceeding the 10-day threshold at any time during the year. Because income earned during the first 10 days worked in Maine is taxable by Maine once the threshold is exceeded, employers should work with effected employees to ensure that Maine withholding is adequate to cover Maine income tax liability for the year. This may require the employee submitting a new Form W-4ME with the employer.

**Withholding exemption for periodic retirement payments** (see Form W-4ME, line 6d). Recipients of periodic retirement payments as defined by IRC § 3405 that are subject to federal income tax withholding are exempt from Maine income tax withholding if the recipient certifies (by checking the box on line 6c) that he or she had no Maine income tax liability for the prior year and expects to have no Maine income tax liability for the current year. The exemption remains in effect until the recipient submits an updated Form W-4ME.