

**SCHEDULE 1S**

Form 1040ME

Attachment

Sequence No. 5

**2025****Income Subtraction Modifications**

See instructions.

Enclose with your Form 1040ME.

For more information, visit [maine.gov/revenue/tax-return-forms](http://maine.gov/revenue/tax-return-forms).**99**

\*2502105\*

Name(s) as shown on Form 1040ME

Your Social Security Number

DO NOT ENTER \$ signs, commas, or decimals.

**SUBTRACTIONS from federal adjusted gross income.**

1. U.S. Government Bond interest included in federal adjusted gross income.....	1.	.00
2. State income tax refund. (Only if included in federal adjusted gross income.).....	2.	.00
3. Social Security and Railroad Retirement Benefits included in federal adjusted gross income.....	3.	.00
4. Pension income deduction. (Enclose worksheet.)..... Check here if the amount on line 4 includes military retirement pay (from line P10 of the Worksheet for Pension Income Deduction) .....	4.	.00
5. Non-Maine active duty military pay received by a Maine resident and military compensation received by a nonresident of Maine.....	5.	.00
6. Military annuity payments made to a survivor of a deceased member of the military .....	6.	.00
7. Maine Public Employees Retirement System pick-up contributions paid to the taxpayer during 2025 which have been previously taxed by the state.....	7.	.00
8. Contributions to Qualified Tuition Programs - 529 Plans. (Limited to \$1,000 per beneficiary.).....	8.	.00
9. Fiduciary adjustment - subtractions only. (Attach a copy of your federal Schedule K-1.) .....	9.	.00
10. Bonus depreciation and section 179 recapture.....	10.	.00
11. <b>Medical cannabis</b> business expenses..... Enter your registration number or sales tax number: _____	11.	.00
12. <b>Adult use cannabis</b> business expenses..... Enter your registration number or sales tax number: _____	12.	.00
13. Net operating loss recapture .....	13.	.00
14. FAME nonprofit student loan repayment program.....	14.	.00
15. Qualified health care student loan payments made by your employer.....	15.	.00
16. Municipal property tax benefits for senior citizens.....	16.	.00
17. Family Development Account proceeds .....	17.	.00
18. Interest from Maine Municipal General Obligation Bonds, Private Activity Bonds, and Airport Authority Bonds included in federal adjusted gross income.....	18.	.00
19. Amount of the reduction in your salaries and wages expense deductions related to claiming the federal Work Opportunity Credit or Empowerment Zone Credit .....	19.	.00
20. Earnings from fishing operations contributed to a capital construction fund .....	20.	.00



DO NOT ENTER \$ signs, commas, or decimals.

\*2502203\*

21. All items of income, gain, interest, dividends, royalties and other items of income of a pass-through financial institution due to an ownership share in the financial institution. EIN of financial institution:	21.	.00
22. The total of capital gains and ordinary income resulting from depreciation recapture from the sale of multi-family affordable housing property.	22.	.00
23. Percentage of gain from the sale of eligible timberlands.	23.	.00
24. Business interest deduction recapture	24.	.00
25. Enrolled tribal members in Maine. If Schedule ETM, column C, line 5 is greater than zero, enter the amount here. Otherwise, leave this line blank. (Attach Schedule ETM.)	25.	.00
26. Other. (Attach worksheet(s).)	26.	.00
<b>27. Total Subtractions.</b> (Add lines 1 through 26 - enter here and on 1040ME, line 15b.)	<b>27.</b>	<b>.00</b>

#### Worksheet for Pension Income Deduction - Schedule 1S, Line 4

Enclose this worksheet and copies of your 1099 form(s) with Form 1040ME.

**CAUTION:** If the amount on Form 1040ME, line 14 is more than \$125,000 if single or married filing separately; \$187,500 if head of household; or \$250,000 if married filing jointly or qualifying surviving spouse, you must complete the Worksheet for Phaseout of Non-Military Pension Income Deduction to calculate the **non-military** pension income deduction amount.

**Note:** Enter the total eligible **non-military** pension benefits on line P1 and eligible **military** retirement pay on line P9.

	<u>Taxpayer</u>	<u>Spouse*</u>
P1. Total eligible <b>non-military</b> pension income (both Maine and non-Maine sources) included in your federal adjusted gross income (from federal Form 1040, lines 4b and 5b or Form 1040-SR, lines 4b and 5b) See instructions.	P1. .00	.00
CAUTION: Include only deductible pension benefits that are <u>not</u> specifically excluded.		
P2. Maximum allowable deduction	P2. 48,216.00	48,216.00
P3. Total social security and railroad retirement benefits you received - whether taxable or not	P3. .00	.00
P4. Subtract line P3 from line P2 (if zero or less, enter zero)	P4. .00	.00
P5. Enter the smaller of line P1 or line P4	P5. .00	.00
P6. If applicable, enter the amount from the Worksheet for Phaseout of Non-Military Pension Income Deduction, line 5. Otherwise, skip lines P6 and P7 and enter the amount from line P5 on line P8	P6. . . . .	. . . . .
P7. Non-military pension income deduction phaseout amount (multiply line P5 by line P6)	P7. .00	.00
P8. Non-military pension income deduction amount (subtract line P7 from line P5)	P8. .00	.00
P9. Total eligible <b>military</b> retirement pay included in your federal adjusted gross income (from federal Form 1040, lines 4b and 5b or Form 1040-SR, lines 4b and 5b)	P9. .00	.00
P10. Add lines P8 and P9. Enter the total for both spouses on Schedule 1S, line 4	P10. .00	.00

*\*Use this column only if you are married filing jointly and only if your spouse separately earned an eligible pension.*

#### Worksheet for Phaseout of Non-Military Pension Income Deduction (for Pension Income Deduction Worksheet, line P6)

Use this worksheet to calculate your **non-military** pension income deduction amount if your federal adjusted gross income for 2025 is greater than \$125,000 if single or married filing separately; \$187,500 if head of household; or \$250,000 if married filing jointly or qualifying surviving spouse.

1. Enter your 2025 federal adjusted gross income (Form 1040ME, line 14).....1. \_\_\_\_\_
2. Enter \$125,000 if single or married filing separately; \$187,500 if head of household; or \$250,000 if married filing jointly or surviving spouse.....2. \_\_\_\_\_
3. Subtract line 2 from line 1. If zero or less, STOP here. Your deduction is not limited.....3. \_\_\_\_\_
4. Enter \$100,000 if single or head of household or married filing jointly or qualifying surviving spouse; \$50,000 if married filing separately.....4. \_\_\_\_\_
5. Divide line 3 by line 4. If one or more, enter 1.0000.  
Enter here and on the Pension Income Deduction Worksheet, line P6.....5. \_\_\_\_\_