

# MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION  
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE  
4

5 Legislative Document

No. 1224

7 H.P. 941

House of Representatives, March 16, 1983

8 Referred to the Committee on Taxation, sent up for concurrence and  
9 ordered printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Higgins of Portland.  
Cosponsor: Senator Wood of York.

11  
12 STATE OF MAINE  
13

14 IN THE YEAR OF OUR LORD  
15 NINETEEN HUNDRED AND EIGHTY-THREE  
16

17 AN ACT to Reform the Maine Corporate  
18 Income Tax Law.  
19

20 Be it enacted by the People of the State of Maine as  
21 follows:

22 Sec. 1. 36 MRSA §5102, sub-§7-A is enacted to  
23 read:

24 7-A. Laws of the United States. "Laws of the  
25 United States" means the United States Internal Reve-  
26 nue Code of 1954, amendments thereto and other provi-  
27 sions of the laws of the United States relating to  
28 federal income taxes as of December 31, 1982.

29 Sec. 2. 36 MRSA §5102, sub-§11, as amended by PL  
30 1981, c. 704, §3, is repealed and the following  
31 enacted in its place:

11. Meanings of other terms. Any other terms used in this Part have the same meanings as when used in a comparable context in the laws of the United States.

Sec. 3. 36 MRSA §5200, as repealed and replaced by PL 1981, c. 706, §39, is amended to read:

§5200. Imposition and rate of tax

A tax is hereby imposed upon every taxable corporation for each taxable year at the rate of ~~4.95%~~ 5.5% of that corporation's Maine net income plus ~~1.98%~~ 2.2% of that corporation's Maine net income in excess of \$25,000.

Sec. 4. Application. This Act shall apply to tax years beginning on or after January 1, 1983.

## STATEMENT OF FACT

This bill provides conformity for corporate taxpayers with the provisions of the United States Internal Revenue Code as of December 31, 1982, and clarifies those sections which provide for conformity. It also raises the corporate income tax rate to balance the losses attributable to conformity.

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