

MAINE STATE LEGISLATURE

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SMC
R. 10.1

Date: 6-15-11

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STATE OF MAINE
SENATE
125TH LEGISLATURE
FIRST REGULAR SESSION

SENATE AMENDMENT "C" to COMMITTEE AMENDMENT "A" to H.P. 778, L.D. 1043, Bill, "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2012 and June 30, 2013"

Amend the amendment in Part N by striking out all of section 2 and inserting the following:

'Sec. N-2. 36 MRSA §5111, sub-§1-C is enacted to read:

1-C. Single individuals and married persons filing separate returns; tax years beginning 2013. For tax years beginning on or after January 1, 2013, for single individuals and married persons filing separate returns:

<u>If Maine Taxable income is:</u>	<u>The tax is:</u>
<u>Less than \$5,000</u>	<u>2% of the Maine taxable income</u>
<u>At least \$5,000 but less than \$9,950</u>	<u>\$100 plus 4.5% of the excess over \$5,000</u>
<u>At least \$9,950 but less than \$19,950</u>	<u>\$323 plus 7% of the excess over \$9,950</u>
<u>\$19,950 or more</u>	<u>\$1,023 plus 7.95% of the excess over \$19,950</u>

Amend the amendment in Part N by striking out all of section 4 and inserting the following:

'Sec. N-4. 36 MRSA §5111, sub-§2-C is enacted to read:

2-C. Heads of households; tax years beginning 2013. For tax years beginning on or after January 1, 2013, for unmarried individuals or legally separated individuals who qualify as heads of households:

<u>If Maine Taxable income is:</u>	<u>The tax is:</u>
<u>Less than \$7,500</u>	<u>2% of the Maine taxable income</u>
<u>At least \$7,500 but less than \$14,900</u>	<u>\$150 plus 4.5% of the excess over \$7,500</u>
<u>At least \$14,900 but less than \$29,900</u>	<u>\$483 plus 7% of the excess over \$14,900</u>

H. & S.

1	<u>\$29,900 or more</u>	<u>\$1,533 plus 7.95% of the excess over</u>
2		<u>\$29,900</u>
3		

4 Amend the amendment in Part N by striking out all of section 6 and inserting the
5 following:

6 **'Sec. N-6. 36 MRSA §5111, sub-§3-C** is enacted to read:

7 **3-C. Individuals filing married joint return or surviving spouses; tax years**
8 **beginning 2013.** For tax years beginning on or after January 1, 2013, for individuals
9 **filing married joint returns or surviving spouses permitted to file a joint return:**

10	<u>If Maine Taxable income is:</u>	<u>The tax is:</u>
11	<u>Less than \$10,000</u>	<u>2% of the Maine taxable income</u>
12	<u>At least \$10,000 but less than \$19,950</u>	<u>\$200 plus 4.5% of the excess over \$10,000</u>
13	<u>At least \$19,950 but less than \$39,900</u>	<u>\$648 plus 7% of the excess over \$19,950</u>
14	<u>\$39,900 or more</u>	<u>\$2,045 plus 7.95% of the excess over</u>
15		<u>\$39,900</u>
16		

17 Amend the amendment in Part T in section 10 in paragraph A in the 5th line (page
18 557, line 34 in amendment) by striking out the following: "\$20,000" and inserting the
19 following: '\$25,000'

20 Amend the amendment in Part T in section 22 in the 9th line (page 562, line 13 in
21 amendment) by striking out the following: "\$20,000" and inserting the following:
22 '\$25,000'

23 Amend the amendment by inserting after Part QQQQ the following:

24 **'PART RRRR**

25 **Sec. RRRR-1. Appropriations and allocations.** The following appropriations
26 and allocations are made.

27 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

28 **Executive Branch Departments and Independent Agencies - Statewide 0017**

29 Initiative: Appropriates funds to increase the limit on retirement benefits that are subject
30 to a cost-of-living adjustment from \$20,000 to \$25,000.

31	GENERAL FUND	2011-12	2012-13
32	Personal Services	\$2,023,938	\$2,042,523
33			
34	GENERAL FUND TOTAL	<u>\$2,023,938</u>	<u>\$2,042,523</u>

A. & S.

1	ADMINISTRATIVE AND FINANCIAL		
2	SERVICES, DEPARTMENT OF		
3	DEPARTMENT TOTALS	2011-12	2012-13
4			
5	GENERAL FUND	\$2,023,938	\$2,042,523
6			
7	DEPARTMENT TOTAL - ALL FUNDS	\$2,023,938	\$2,042,523

8 **EDUCATION, DEPARTMENT OF**

9 **Teacher Retirement 0170**

10 Initiative: Appropriates funds to increase the limit on retirement benefits that are subject
11 to a cost-of-living adjustment from \$20,000 to \$25,000.

12	GENERAL FUND	2011-12	2012-13
13	All Other	\$10,645,325	\$10,805,004
14			
15	GENERAL FUND TOTAL	\$10,645,325	\$10,805,004

16 **EDUCATION, DEPARTMENT OF**
17 **DEPARTMENT TOTALS**

17		2011-12	2012-13
18			
19	GENERAL FUND	\$10,645,325	\$10,805,004
20			
21	DEPARTMENT TOTAL - ALL FUNDS	\$10,645,325	\$10,805,004

22 **JUDICIAL DEPARTMENT**

23 **Courts - Supreme, Superior and District 0063**

24 Initiative: Appropriates funds to increase the limit on retirement benefits that are subject
25 to a cost-of-living adjustment from \$20,000 to \$25,000.

26	GENERAL FUND	2011-12	2012-13
27	Personal Services	\$131,937	\$133,149
28			
29	GENERAL FUND TOTAL	\$131,937	\$133,149

30 **JUDICIAL DEPARTMENT**
31 **DEPARTMENT TOTALS**

31		2011-12	2012-13
32			
33	GENERAL FUND	\$131,937	\$133,149
34			

A of S.

1	DEPARTMENT TOTAL - ALL FUNDS	\$131,937	\$133,149
2	LAW AND LEGISLATIVE REFERENCE LIBRARY		
3	Law and Legislative Reference Library 0636		
4	Initiative: Appropriates funds to increase the limit on retirement benefits that are subject		
5	to a cost-of-living adjustment from \$20,000 to \$25,000.		
6	GENERAL FUND	2011-12	2012-13
7	Personal Services	\$6,058	\$6,114
8			
9	GENERAL FUND TOTAL	<u>\$6,058</u>	<u>\$6,114</u>
10	LAW AND LEGISLATIVE REFERENCE		
11	LIBRARY		
12	DEPARTMENT TOTALS	2011-12	2012-13
13			
14	GENERAL FUND	\$6,058	\$6,114
15			
16	DEPARTMENT TOTAL - ALL FUNDS	<u>\$6,058</u>	<u>\$6,114</u>
17	LEGISLATURE		
18	Legislature 0081		
19	Initiative: Appropriates funds to increase the limit on retirement benefits that are subject		
20	to a cost-of-living adjustment from \$20,000 to \$25,000.		
21	GENERAL FUND	2011-12	2012-13
22	Personal Services	\$78,085	\$78,802
23			
24	GENERAL FUND TOTAL	<u>\$78,085</u>	<u>\$78,802</u>
25	LEGISLATURE		
26	DEPARTMENT TOTALS		
27			
28	GENERAL FUND	\$78,085	\$78,802
29			
30	DEPARTMENT TOTAL - ALL FUNDS	<u>\$78,085</u>	<u>\$78,802</u>
31	PROGRAM EVALUATION AND GOVERNMENT ACCOUNTABILITY,		
32	OFFICE OF		

A. of S.

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Office of Program Evaluation and Government Accountability 0976

Initiative: Appropriates funds to increase the limit on retirement benefits that are subject to a cost-of-living adjustment from \$20,000 to \$25,000.

GENERAL FUND	2011-12	2012-13
Personal Services	\$3,815	\$3,850
GENERAL FUND TOTAL	<u>\$3,815</u>	<u>\$3,850</u>

**PROGRAM EVALUATION AND
GOVERNMENT ACCOUNTABILITY, OFFICE
OF**

DEPARTMENT TOTALS	2011-12	2012-13
GENERAL FUND	\$3,815	\$3,850
DEPARTMENT TOTAL - ALL FUNDS	<u>\$3,815</u>	<u>\$3,850</u>

SECTION TOTALS	2011-12	2012-13
GENERAL FUND	\$12,889,158	\$13,069,442
SECTION TOTAL - ALL FUNDS	<u>\$12,889,158</u>	<u>\$13,069,442</u>

Amend the amendment by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment raises the cap on the amount of pension income that is eligible for a cost-of-living adjustment from \$20,000 to \$25,000. It also eliminates the new 6.5% income tax rate and retains the 2%, 4.5% and 7% rates and the applicable income tax brackets. The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)

SPONSORED BY: *Richard G. Woodbury*
(Senator WOODBURY)
COUNTY: Cumberland

**125th MAINE LEGISLATURE****LD 1043****LR 2067(20)**

An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2012 and June 30, 2013

Fiscal Note for Senate Amendment "C" to Committee Amendment "A" S-316

Sponsor: Sen. Woodbury of Cumberland

Fiscal Note Required: Yes

Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	\$12,889,158	(\$22,084,358)	(\$76,113,975)	(\$79,622,229)
Appropriations/Allocations				
General Fund	\$12,889,158	\$13,069,442	\$13,461,525	\$13,865,371
Revenue				
General Fund	\$0	\$35,153,800	\$89,575,500	\$93,487,600
Other Special Revenue Funds	\$0	\$1,850,200	\$4,714,500	\$4,920,400
Fund Detail by Section				
Appropriations/Allocations				
General Fund				
PART RRRR, Section 1	\$12,889,158	\$13,069,442	\$13,461,525	\$13,865,371
Revenue				
General Fund				
PART I	\$0	(\$1,850,200)	(\$4,714,500)	(\$4,920,400)
PART N	\$0	\$37,004,000	\$94,290,000	\$98,408,000
Other Special Revenue Funds				
PART I	\$0	\$1,850,200	\$4,714,500	\$4,920,400

Fiscal Detail and Notes

This amendment includes General Fund appropriations totaling \$12,889,158 in fiscal year 2011-12 and \$13,069,442 in fiscal year 2012-13 for costs associated with increasing the limit on retirement benefits which are subject to a cost-of-living adjustment from \$20,000 to \$25,000. The amendment also eliminates the reorganization of the individual income tax brackets down to two rates of 6.5% and a top rate of 7.95% which restores revenue to the General Fund and increases revenue sharing compared to the committee amendment starting in fiscal year 2012-13.