MAINE STATE LEGISLATURE

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126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 1256

H.P. 890

House of Representatives, March 27, 2013

An Act To Establish Tax Fairness

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. Macfarland MILLICENT M. MacFARLAND Clerk

Presented by Representative CHIPMAN of Portland.

Cosponsored by Representatives: BROOKS of Winterport, CAMPBELL of Newfield, EVANGELOS of Friendship, GOODE of Bangor, MOONEN of Portland, STANLEY of

Medway, TIPPING-SPITZ of Orono, Senator: HASKELL of Cumberland.

1	Be it enacted by the People of the State of	Maine as follows:
2 3	Sec. 1. 36 MRSA §5111, sub-§1-C affected by §19, is amended to read:	c, as enacted by PL 2011, c. 380, Pt. N, §2 and
4 5 6	C	d persons filing separate returns; tax year or after January 1, 2013 and before January 1, rsons filing separate returns:
7 8 9 10	If Maine Taxable income is: At least \$5,000 but less than \$19,950 \$19,950 or more	The tax is: 6.5% of the excess over \$5,000 \$972 plus 7.95% of the excess over \$19,950
11	Sec. 2. 36 MRSA §5111, sub-§1-D	is enacted to read:
12 13 14		d persons filing separate returns; tax years ng on or after January 1, 2014, for single rate returns:
15 16 17 18 19 20	If Maine Taxable income is: At least \$5,000 but less than \$19,950 At least \$19,950 but less than \$100,000 \$100,000 or more	The tax is: 6.5% of the excess over \$5,000 \$972 plus 7.95% of the excess over \$19,950 \$7,336 plus 8.5% of the excess over
21 22	Sec. 3. 36 MRSA §5111, sub-§2-C affected by §19, is amended to read:	\$100,000 C, as enacted by PL 2011, c. 380, Pt. N, §4 and
23 24 25	2-C. Heads of households; tax year 2013. For <u>the</u> tax <u>years year</u> beginning on or after January 1, 2013 <u>and before January 1, 2014</u> , for unmarried individuals or legally separated individuals who qualify as heads of households:	
26 27 28 29	If Maine Taxable income is: At least \$7,500 but less than \$29,900 \$29,900 or more	The tax is: 6.5% of the excess over \$7,500 \$1,456 plus 7.95% of the excess over \$29,900
30	Sec. 4. 36 MRSA §5111, sub-§2-D	is enacted to read:
31 32 33		beginning 2014. For tax years beginning on dividuals or legally separated individuals who

1 2 3 4 5 6	If Maine Taxable income is: At least \$7,500 but less than \$29,900 At least \$29,900 but less than \$110,000 \$110,000 or more	The tax is: 6.5% of the excess over \$7,500 \$1,456 plus 7.95% of the excess over \$29,900 \$7,824 plus 8.5% of the excess over \$110,000
7	Sec. 5. 36 MRSA §5111, sub-§3-C	, as enacted by PL 2011, c. 380, Pt. N, §6 and
8	affected by §19, is amended to read:	
9		return or surviving spouses; tax year 2013.
10	For the tax year beginning on or after January 1, 2013 and before January 1, 2014, for individuals filing married joint returns or surviving spouses permitted to file a joint	
11 12	for individuals filing married joint returns return:	or surviving spouses permitted to file a joint
13	If Maine Taxable income is:	The tax is:
13	At least \$10,000 but less than \$39,900	6.5% of the excess over \$10,000
15	\$39,900 or more	\$1,944 plus 7.95% of the excess over
16	40.7, 00	\$39,900
17	Sec. 6. 36 MRSA §5111, sub-§3-D	
18	3-D. Individuals filing married join	nt return or surviving spouses; tax years
	3-D. Individuals filing married join beginning 2014. For tax years beginning	nt return or surviving spouses; tax years on or after January 1, 2014, for individuals
18 19 20	3-D. Individuals filing married join beginning 2014. For tax years beginning filing married joint returns or surviving spou	nt return or surviving spouses; tax years on or after January 1, 2014, for individuals uses permitted to file a joint return:
18 19	3-D. Individuals filing married join beginning 2014. For tax years beginning	nt return or surviving spouses; tax years on or after January 1, 2014, for individuals
18 19 20 21 22 23	3-D. Individuals filing married join beginning 2014. For tax years beginning filing married joint returns or surviving spoulf Maine Taxable income is:	nt return or surviving spouses; tax years on or after January 1, 2014, for individuals uses permitted to file a joint return: The tax is: 6.5% of the excess over \$10,000 \$1,944 plus 7.95% of the excess over
18 19 20 21 22 23 24	3-D. Individuals filing married join beginning 2014. For tax years beginning filing married joint returns or surviving spout If Maine Taxable income is: At least \$10,000 but less than \$39,900 At least \$39,900 but less than \$120,000	nt return or surviving spouses; tax years on or after January 1, 2014, for individuals uses permitted to file a joint return: The tax is: 6.5% of the excess over \$10,000 \$1,944 plus 7.95% of the excess over \$39,900
18 19 20 21 22 23 24 25	3-D. Individuals filing married join beginning 2014. For tax years beginning filing married joint returns or surviving spot If Maine Taxable income is: At least \$10,000 but less than \$39,900	nt return or surviving spouses; tax years on or after January 1, 2014, for individuals uses permitted to file a joint return: The tax is: 6.5% of the excess over \$10,000 \$1,944 plus 7.95% of the excess over \$39,900 \$8,312 plus 8.5% of the excess over
18 19 20 21 22 23 24	3-D. Individuals filing married join beginning 2014. For tax years beginning filing married joint returns or surviving spout If Maine Taxable income is: At least \$10,000 but less than \$39,900 At least \$39,900 but less than \$120,000	nt return or surviving spouses; tax years on or after January 1, 2014, for individuals uses permitted to file a joint return: The tax is: 6.5% of the excess over \$10,000 \$1,944 plus 7.95% of the excess over \$39,900
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18 19 20 21 22 23 24 25 26	3-D. Individuals filing married join beginning 2014. For tax years beginning filing married joint returns or surviving spot If Maine Taxable income is: At least \$10,000 but less than \$39,900 At least \$39,900 but less than \$120,000 \$120,000 or more	nt return or surviving spouses; tax years on or after January 1, 2014, for individuals uses permitted to file a joint return: The tax is: 6.5% of the excess over \$10,000 \$1,944 plus 7.95% of the excess over \$39,900 \$8,312 plus 8.5% of the excess over \$120,000
18 19 20 21 22 23 24 25 26	3-D. Individuals filing married join beginning 2014. For tax years beginning filing married joint returns or surviving spot. If Maine Taxable income is: At least \$10,000 but less than \$39,900 At least \$39,900 but less than \$120,000 \$120,000 or more SUM This bill creates a new top income tax taxable income over \$100,000 for sing	nt return or surviving spouses; tax years on or after January 1, 2014, for individuals uses permitted to file a joint return: The tax is: 6.5% of the excess over \$10,000 \$1,944 plus 7.95% of the excess over \$39,900 \$8,312 plus 8.5% of the excess over \$120,000 MARY Trate of 8.5%. The new rate is imposed on the individuals and married persons filing
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