

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

Date: 6/2/25

(Filing No. S-212)

TAXATION

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE

SENATE

132ND LEGISLATURE

FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to S.P. 158, L.D. 366, "An Act to Ensure Consistency of Income Tax Deductions for Retired Members of the Uniformed Services"

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 36 MRSA §5122, sub-§2, ¶M-2, as amended by PL 2023, c. 523, Pt. B, §1, is further amended by amending subparagraph (2), division (c) to read:

(c) "Military retirement plan" means retirement plan benefits received as a result of service in the active or reserve components of the United States Army, Navy, Air Force, Marines, Coast Guard or Space Force. For tax years beginning on or after January 1, 2026, "military retirement plan" means retirement plan benefits received as a result of service in the active or reserve components of the uniformed services of the United States as defined in 37 United States Code, Section 101(3).

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

SUMMARY

This amendment clarifies the definition of "military retirement plan" for purposes of the pension benefit deduction by referencing a definition in the United States Code.

FISCAL NOTE REQUIRED

(See attached)

**132nd MAINE LEGISLATURE****LD 366****LR 716(02)****An Act to Ensure Consistency of Income Tax Deductions for Retired Members of the Uniformed Services****Fiscal Note for Bill as Amended by Committee Amendment "A" (S-212)****Committee: Taxation****Fiscal Note Required: Yes**

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$0	\$47,500	\$47,500	\$47,500
Revenue				
General Fund	\$0	(\$47,500)	(\$47,500)	(\$47,500)
Other Special Revenue Funds	\$0	(\$2,500)	(\$2,500)	(\$2,500)

Fiscal Detail and Notes

This bill includes an ongoing revenue decrease to the General Fund of \$47,500 due to expanding eligibility for the pension income deduction effective January 1, 2026. This bill also includes an ongoing revenue decrease to the Local Government Fund of \$2,500.