

# MAINE STATE LEGISLATURE

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# 132nd MAINE LEGISLATURE

## FIRST SPECIAL SESSION-2025

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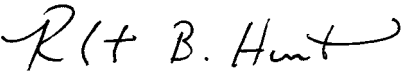
H.P. 1117

House of Representatives, April 17, 2025

### **An Act to Increase Fairness in the Income Tax by Adding Higher Tax Brackets and Tax Rates**

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Reference to the Committee on Taxation suggested and ordered printed.

  
ROBERT B. HUNT  
Clerk

Presented by Representative OSHER of Orono.  
Cosponsored by Senator TIPPING of Penobscot and  
Representatives: ANKELES of Brunswick, DEBRITO of Waterville, DHALAC of South  
Portland, EATON of Deer Isle, GOLEK of Harpswell, LOOKNER of Portland, SKOLD of  
Portland, Senator: TEPLER of Sagadahoc.

1       **Be it enacted by the People of the State of Maine as follows:**

2       **Sec. 1. 36 MRSA §5111, sub-§1-F**, as enacted by PL 2015, c. 267, Pt. DD, §3, is  
3 amended to read:

4       **1-F. Single individuals and married persons filing separate returns; tax years**  
5 **beginning from 2017 to 2024.** For tax years beginning on or after January 1, 2017 but  
6 before January 1, 2025, for single individuals and married persons filing separate returns:

7       If Maine taxable income is:	The tax is:
8       Less than \$21,050	5.8% of the Maine taxable income
9       At least \$21,050 but less than \$50,000	\$1,221 plus 6.75% of the excess over
10	\$21,050
11       \$50,000 or more	\$3,175 plus 7.15% of the excess over
12	\$50,000

13       **Sec. 2. 36 MRSA §5111, sub-§1-G** is enacted to read:

14       **1-G. Single individuals and married persons filing separate returns; tax years**  
15 **beginning 2025.** For tax years beginning on or after January 1, 2025, for single individuals  
16 and married persons filing separate returns:

17       If Maine taxable income is:	The tax is:
18 <u>Less than \$26,800</u>	<u>5.8% of the Maine taxable income</u>
19 <u>At least \$26,800 but less than \$63,450</u>	<u>\$1,554 plus 6.75% of the excess over</u>
20	<u>\$26,800</u>
21 <u>At least \$63,450 but less than \$100,000</u>	<u>\$4,028 plus 7.15% of the excess over</u>
22	<u>\$63,450</u>
23 <u>At least \$100,000 but less than \$200,000</u>	<u>\$6,641 plus 8.15% of the excess over</u>
24	<u>\$100,000</u>
25 <u>At least \$200,000 but less than \$300,000</u>	<u>\$14,791 plus 9.15% of the excess over</u>
26	<u>\$200,000</u>
27 <u>\$300,000 or more</u>	<u>\$23,941 plus 10.15% of the excess over</u>
28	<u>\$300,000</u>

29       **Sec. 3. 36 MRSA §5111, sub-§2-F**, as enacted by PL 2015, c. 267, Pt. DD, §5, is  
30 amended to read:

31       **2-F. Heads of households; tax years beginning from 2017 to 2024.** For tax years  
32 beginning on or after January 1, 2017 but before January 1, 2025, for unmarried individuals  
33 or legally separated individuals who qualify as heads of households:

34       If Maine taxable income is:	The tax is:
35       Less than \$31,550	5.8% of the Maine taxable income
36       At least \$31,550 but less than \$75,000	\$1,830 plus 6.75% of the excess over
37	\$31,550
38       \$75,000 or more	\$4,763 plus 7.15% of the excess over
39	\$75,000

40       **Sec. 4. 36 MRSA §5111, sub-§2-G** is enacted to read:

**2-G. Heads of households; tax years beginning 2025.** For tax years beginning on or after January 1, 2025, 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 \$40,200</u>	<u>5.8% of the Maine taxable income</u>
<u>At least \$40,200 but less than \$95,150</u>	<u>\$2,332 plus 6.75% of the excess over \$40,200</u>
<u>At least \$95,150 but less than \$150,000</u>	<u>\$6,041 plus 7.15% of the excess over \$95,150</u>
<u>At least \$150,000 but less than \$300,000</u>	<u>\$9,963 plus 8.15% of the excess over \$150,000</u>
<u>At least \$300,000 but less than \$450,000</u>	<u>\$22,188 plus 9.15% of the excess over \$300,000</u>
<u>\$450,000 or more</u>	<u>\$35,913 plus 10.15% of the excess over \$450,000</u>

**Sec. 5. 36 MRSA §5111, sub-§3-F**, as enacted by PL 2015, c. 267, Pt. DD, §7, is amended to read:

**3-F. Individuals filing married joint returns or surviving spouses; tax years beginning from 2017 to 2024.** For tax years beginning on or after January 1, 2017 but before January 1, 2025, for individuals filing married joint returns or surviving spouses permitted to file a joint return:

<u>If Maine taxable income is:</u>	<u>The tax is:</u>
<u>Less than \$42,100</u>	<u>5.8% of the Maine taxable income</u>
<u>At least \$42,100 but less than \$100,000</u>	<u>\$2,442 plus 6.75% of the excess over \$42,100</u>
<u>\$100,000 or more</u>	<u>\$6,350 plus 7.15% of the excess over \$100,000</u>

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

**3-G. Individuals filing married joint returns or surviving spouses; tax years beginning 2025.** For tax years beginning on or after January 1, 2025, for individuals filing married joint returns or surviving spouses permitted to file a joint return:

<u>If Maine taxable income is:</u>	<u>The tax is:</u>
<u>Less than \$53,600</u>	<u>5.8% of the Maine taxable income</u>
<u>At least \$53,600 but less than \$126,900</u>	<u>\$3,109 plus 6.75% of the excess over \$53,600</u>
<u>At least \$126,900 but less than \$200,000</u>	<u>\$8,057 plus 7.15% of the excess over \$126,900</u>
<u>At least \$200,000 but less than \$400,000</u>	<u>\$13,284 plus 8.15% of the excess over \$200,000</u>
<u>At least \$400,000 but less than \$600,000</u>	<u>\$29,584 plus 9.15% of the excess over \$400,000</u>
<u>\$600,000 or more</u>	<u>\$47,884 plus 10.15% of the excess over \$600,000</u>

**Sec. 7. 36 MRSA §5403, sub-§1**, as enacted by PL 2015, c. 267, Pt. DD, §33, is repealed and the following enacted in its place:

**1. Individual income tax rate tables.** Beginning in 2026 and each year thereafter, by the dollar amounts of the tax rate tables specified in section 5111, subsections 1-G, 2-G and 3-G, except that for the purposes of this subsection, notwithstanding section 5402, subsection 1-B, the "cost-of-living adjustment" is the Chained Consumer Price Index for the 12-month period ending June 30th of the preceding calendar year divided by the Chained Consumer Price Index for the 12-month period ending June 30, 2024;

## SUMMARY

This bill, for tax years beginning in or after 2025:

1. Adjusts the existing tax brackets for single individuals and married persons filing separately, heads of household and individuals filing joint returns and surviving spouses;
2. Adds 3 new higher income tax brackets; and
3. Imposes 3 new rates of tax for those higher brackets of 8.15%, 9.15% and 10.15%.

As under current law, the income tax brackets are indexed to the Chained Consumer Price Index as published by the United States Department of Labor, Bureau of Labor Statistics.