

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 1106

H. P. 836

House of Representatives, February 23, 1973

Referred to the Committee on Taxation. Sent up for concurrence and ordered printed.

E. LOUISE LINCOLN, Clerk

Presented by Mr. Dunleavy of Presque Isle.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-THREE

AN ACT Relating to the Income Tax on Corporations and Revising the Rates.

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

R. S., T. 36, § 5200, repealed and replaced. Section 5200 of Title 36 of the Revised Statutes, as enacted by Section F of chapter 154 of the private and special laws of 1969, is repealed and the following enacted in place thereof:

§ 5200. Imposition and rate of tax

A tax is hereby imposed upon the entire taxable income of every "taxable corporation" as follows:

No taxable corporation shall pay less than \$50 in tax under this Part per year.

If the taxable income is:

The tax is:

Not over \$15,000

4% of the taxable income

\$15,000 but not over \$25,000

600 plus 6% of the excess
over \$15,000

\$25,000 or more

1,200 plus 8% of the excess
over \$25,000

STATEMENT OF FACT

Administration of the corporation income tax law and the processing of returns and the expense thereof, together with the benefits which incorpora-

tion provides even in years where no taxable income is realized, warrant the imposition of a minimum tax. Also, the amount of tax should bear a relationship to the ability to pay and be progressive in nature as is the law governing income taxation of individuals.