

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1530

S. P. 442

In Senate, April 13, 1977

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

MAY M. ROSS, Secretary

Presented by Senator Conley of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

AN ACT to Relieve the Income Tax Burden of the Elderly Retired.

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

36 MRSA § 5122, sub-§ 2-A is enacted to read:

2-A. Subtractions; retirement income. The first \$4,800 of an individual's retirement income or the first \$7,200 of a couple's retirement income shall be subtracted from federal adjusted gross income. For the purposes of this subsection, "retirement income" is defined as income earned by a person who is 62 years of age or older which is:

- A. Income received from pensions, retirement programs, annuities, interest from retirement bonds or income received from individual retirement accounts, as defined in the Internal Revenue Code; and
- B. Income not otherwise exempt from federal income taxation.

STATEMENT OF FACT

The purpose of this bill is to exempt the first \$4,800 of an individual's retirement income, \$7,200 for a couple, from the state income tax. This exemption would not be available until a person reaches the age of 62.