

MAINE STATE LEGISLATURE

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L.D. 1703

STATE OF MAINE
HOUSE OF REPRESENTATIVES (Filing No. H-576)
110TH LEGISLATURE
THIRD SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 1716, L.D. 1703, Bill,
"AN ACT Providing for Conformity with the United States Internal
Revenue Code as of December 1, 1981."

Amend the Bill in the Emergency preamble by inserting
after the 6th paragraph the following:

'Whereas, most low income elderly persons will receive no
benefit from the Economic Recovery Tax Act and many may be
harmed by decreasing state revenues as a result of state
conformity with the federal Act; and'

Further amend the Bill by inserting at the beginning of
the first line after the enacting clause the underlined abbreviation
and figure 'Sec. 1.'

Further amend the Bill by inserting before the Emergency
clause the following:

'Sec. 2. 36 MRSA §6108, as amended by PL 1977, c. 686,
§16, is further amended by adding at the end a new paragraph
to read:

Notwithstanding the provisions of this section, for
application made during 1982, no claim otherwise allowable may
be granted to claimant's of single member households with house-
hold income in excess of \$6,000 in calendar year 1981 and no
claim otherwise allowable may be granted to claimants of
households of 2 or more members with income in excess of \$7,000
in calendar year 1981.

Sec. 3. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

1982-83

FINANCE AND ADMINISTRATION,
DEPARTMENT OF

Bureau of Taxation

All Other \$885,000

HUMAN SERVICES,
DEPARTMENT OF

Elderly Low Cost Drug Program

All Other \$200,000'

Statement of Fact

This amendment recognizes that most low income elderly persons do not have sufficient income to be liable for any income tax and, therefore, will not receive any benefit from the provisions of the Economic Recovery Tax Act of 1981. In fact, many low income elderly persons may be harmed as a result of decreasing state revenues, if the State conforms to the new federal law. In addition, many low income elderly persons, as a result of cost-of-living increases will be eliminated this year from participation in the Elderly Household Tax and Rent Refund Program. This amendment provides equity for elderly persons by increasing the eligibility levels in 1982 for the Elderly Household Tax and Rent Refund Program to \$6,000 and \$7,000.

Reported by Report "B" of the Committee on Taxation.
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12/9/81

(Filing No. H-576)