## MAINE STATE LEGISLATURE

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1 L.D. 96

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2 3 4 5	STATE OF MAINE HOUSE OF REPRESENTATIVES (Filing No. 111TH LEGISLATURE FIRST REGULAR SESSION
6 7 8	HOUSE AMENDMENT "B" to S.P. 34, L.D. 96, Bill, "AN ACT to Remove the Retroactive Provisions of the Income Tax Indexing Law."
9 10 11 12	Amend the Bill by striking out everything after the title and before the Emergency clause and inserting in its place the following:
13 14 15	'Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and
16 17 18	Whereas, the 1982 initiated bill concerning income tax indexing is due to take effect immediately; and
19 20 21	Whereas, the retroactive provision of that bill, if allowed to take effect, would mean a \$32 million expense for the State; and
22 23 24	Whereas, to avoid the problems that the full effect of this expense would mean to the State, corrective steps must be taken; and
25 26 27 28 29 30	Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,
31 32	Be it enacted by the People of the State of Maine as follows:
33 34 35	Sec. 1. 36 MRSA §5403, next to last ¶, as enacted by 1982, I.B. 2, §4, is repealed and the following enacted in its place:

## HOUSE AMENDMENT " ${\pmb \beta}$ " to S.P. 34, L.D. 96

1	The dollar amounts of the standard deduction and
2	the personal exemption amounts listed in this section, adjusted by application of the inflation factor and rounded to the nearest \$50, and the dollar
3	section, adjusted by application of the inflation
4	factor and rounded to the nearest \$50, and the dollar
5 6	amounts of the dollar bracket amounts adjusted by
6	application of the inflation factor and rounded to
7	the nearest \$100, shall be effective for the then
8	current taxable year and shall be incorporated into
9	the income tax forms and instructions of the State
10	Tax Assessor for that taxable year.
11 12	Sec. 2. 1982, I.B. 2, §5, approved by the people November 2, 1982, is amended to read:
13	Sec. 5. Effective date. This chapter shall take
14	effect for tax years beginning on or after January 1,
15	1981 1982.
13	1701 1702
16	Sec. 3. Joint Standing Committee on Appropria-
17	tions and Financial Affairs to report out legis-
18	lation. The Joint Standing Committee on Appropria-
19	tions and Financial Affairs is directed to report out
20	legislation to the First Regular Session of the 111th
21	Legislature that makes the necessary budgetary ad-
22	justments to offset that amount of money refunded to
23	taxpayers pursuant to the retroactive provisions of
24	1982 I. B. 2, approved by the voters November 2,
25	1982. The budgetary adjustments recommended by the
26	committee shall go to reduce the bonded indebtedness
27	of the State.
41	of the state.
28	STATEMENT OF FACT
29	This amendment:
30	1. Makes the retroactive provisions of the tax
31	indexing law retroactive to tax year 1982 only;
21	indexing law recroactive to tax year 1902 only;
32 .	2. Rounds the standard deduction and personal ex-
33	
22	emption amounts, adjusted by the inflation factor, to

## HOUSE AMENDMENT S.P. 34, L.D. 96

1	the nearest \$50, instead of \$100; and
2 3 4 5 6 7	3. Directs the Joint Standing Committee on Appropriations and Financial Affairs to report out legislation making reductions in appropriations to offset the money to be refunded to taxpayers under tax indexing. The budgetary adjustments to be made shall go to reduce the bonded indebtedness of the State.
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Filed by Rep. Higgins of Scarborough Reproduced and distributed under the direction of the Clerk of the House (Filing No. H-4)

1/14/83