

# MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION  
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE  
4

5 Legislative Document

No. 591

6  
7 H.P. 494

House of Representatives, February 7, 1983

8 Received by the Clerk of the House on February 7, 1983. Referred to the  
9 Committee on Taxation and ordered printed pursuant to Joint Rule 14.

10 EDWIN H. PERT, Clerk

11 Presented by Representative Mitchell of Freeport.

12 STATE OF MAINE  
13

14 IN THE YEAR OF OUR LORD  
15 NINETEEN HUNDRED AND EIGHTY-THREE  
16

17 AN ACT to Provide a State Income Tax  
18 Exemption for Federal Pensions.  
19

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

22 Sec. 1. 36 MRSA §5122, sub-§2, ¶¶A and B, as  
23 enacted by PL 1977, c. 686, §9, are amended to read:

24 A. Interest or dividends on obligations of the  
25 United States and its territories and possessions  
26 or of any authority, commission or instrumental-  
27 ity of the United States to the extent includible  
28 in gross income for federal income tax purposes  
29 but exempt from state income taxes under the laws  
30 of the United States, provided that the amount  
31 subtracted shall be decreased by any expenses  
32 incurred in the production of the interest or  
33 dividend income to the extent that these

1 expenses, including amortizable bond premiums,  
2 are deductible in determining federal adjusted  
3 gross income; and

4 B. An amount equal to the taxpayer's federal new  
5 jobs credit as determined under the laws of the  
6 United States; and

7 Sec. 2. 36 MRSA §5122, sub-§2, ¶C is enacted to  
8 read:

9 C. The amount of any pensions received from the  
10 Federal Government as a result of federal employ-  
11 ment.

12 STATEMENT OF FACT

13 The purpose of this bill is to exempt federal  
14 pensions from the state income tax.

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