

MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 1826
6

7 H.P. 1310

House of Representatives, January 13, 1986

8 Approved for introduction by a majority of the Legislative Council
9 pursuant to Joint Rule 26.

Reference to the Committee on Taxation suggested and ordered printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Diamond of Bangor.

11 Cosponsored by Representative Swazey of Bucksport, Representative
Nelson of Portland and Senator Diamond of Cumberland.

12 STATE OF MAINE
13

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

17 AN ACT to Increase the Maine Child Care
18 Credit Under the State Income Tax.
19

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

22 Sec. 1. 36 MRSA §5127, sub-§2, as repealed and
23 replaced by PL 1977, c. 424, §1, is amended to read:

24 2. Income tax credit for child care expenses. A
25 resident individual shall be allowed a credit against
26 the tax otherwise due under this Part in the amount
27 of ~~15%~~ 50% of the federal tax credit allowable for
28 child care expenses. In no case will this credit re-
29 duce the Maine income tax to less than zero.

30 Sec. 2. 36 MRSA §5146, as enacted by PL 1977, c.
31 424, §2, is amended to read:

32 §5146. Child care credit

1 A nonresident individual shall be allowed a cred-
2 it against the tax otherwise due under this Part in
3 the amount of ~~15%~~ 50% of the federal tax credit al-
4 lowable for child care expenses, except that this
5 credit shall be limited by the percentage that his
6 Maine adjusted gross income bears to his federal ad-
7 justed gross income. In no case will this credit re-
8 duce the Maine income tax to less than zero.

9 STATEMENT OF FACT

10 The purpose of this bill is to increase the state
11 income tax credit a family may claim for child care
12 expenses from the current 15% of the federal deduc-
13 tion to 50% of that federal deduction.

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