

MAINE STATE LEGISLATURE

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1 (New Draft of H.P. 1403, L.D. 1979)
2 SECOND REGULAR SESSION
3

4 ONE HUNDRED AND TWELFTH LEGISLATURE
5

6 Legislative Document

No. 2265

8 H.P. 1609

House of Representatives, March 27, 1986

9 Reported by Representative Cashman from the Committee on Taxation
10 and printed under Joint Rule 2. Original bill sponsored by Representative Mayo of Thomaston.

11 EDWIN H. PERT, Clerk

12
13 STATE OF MAINE
14

15 IN THE YEAR OF OUR LORD
16 NINETEEN HUNDRED AND EIGHTY-SIX
17

18 AN ACT to Conform State Income Tax Laws
19 Relative to Premature Retirement Plan
20 Distributions.
21

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

24 36 MRSA §5204-A is enacted to read:

25 §5204-A. Early distribution for individual retire-
26 ment accounts

27 For taxable years beginning on or after January
28 1, 1986, the tax imposed under this Part on any indi-
29 vidual whose federal income tax for any taxable year
30 is increased pursuant to the United States Internal
31 Revenue Code, Section 408(f), as a result of a dis-
32 tribution from an individual retirement account or
33 under an individual retirement annuity shall be in-
34 creased by an amount equal to 15% of the amount by
35 which the individual's federal income tax was in-
36 creased as a result of the distribution.

FISCAL NOTE

2 It is estimated that this new draft will result
3 in the following increase in revenues:

	<u>1986-87</u>
4	
5 General Fund	\$33,215
6 Local Government Fund	<u>1,785</u>
7 Total	\$35,000

8 STATEMENT OF FACT

9 This new draft locates the statutory provision
10 more appropriately, specifies that it applies to tax
11 years beginning on or after January 1, 1986, and adds
12 a fiscal note.

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