

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 1244

H.P. 928 House of Representatives, April 13, 1987  
Reference to the Committee on Taxation suggested and  
ordered printed.

EDWIN H. PERT, Clerk  
Presented by Representative CASHMAN of Old Town.  
Cosponsored by Representatives JACKSON of Harrison,  
NADEAU of Saco, and Senator TWITCHELL of Oxford.

STATE OF MAINE

IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND EIGHTY-SEVEN

AN ACT to Amend the Law Relating to Unitary  
Taxation of Corporations.

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

36 MRSA §5102, sub-§8, as amended by PL 1983, c.  
571, §14, is further amended to read:

8. Maine net income. "Maine net income" means,  
for any taxable year for any corporate taxpayer, the  
taxable income of that taxpayer for that taxable year  
under the laws of the United States as modified by  
sections 5200-A and 5202-B and allocated or appor-  
tioned to this State under chapter 821. To the ex-  
tent that it derives from a unitary business carried  
on by 2 or more members of an affiliated group, the  
Maine net income of a corporation shall be determined

1 by apportioning that part of the federal taxable in-  
2 come of the entire group which derives from the uni-  
3 tary business, excluding income derived from a busi-  
4 ness activity located in a United States possession  
5 or a foreign country, including corporations which  
6 meet the 80% foreign business requirements of Federal  
7 Internal Revenue Code, section 861.

8 STATEMENT OF FACT

9 This bill reconfigures what is considered unitary  
10 tax to exclude income derived from a business activi-  
11 ty located in a United States possession or a foreign  
12 county.

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