

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1062

S.P. 385

Received by the Secretary, March 8, 1991

Referred to the Committee on Taxation and 1400 ordered printed pursuant to Joint Rule 14.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator CLARK of Cumberland
Cosponsored by Senator BERUBE of Androscoggin and Representative DORE of Auburn.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY-ONE

An Act to Modify the Maine Residents Property Tax Program.

Printed on recycled paper



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

2
36 MRSA §6201, sub-§9, as amended by PL 1989, c. 871, §20,
4 is further amended to read:

6 9. **Income.** "Income" means the sum of Maine adjusted gross
7 income determined in accordance with Part 8, the amount of
8 capital gains excluded from adjusted gross income, the absolute
9 value of the amount of trade or business loss, net operating loss
10 carry-over, capital loss, rental loss, farm loss, partnership or
11 S Corporation loss included in adjusted gross income, alimony,
12 inheritance, life insurance proceeds paid on death of insured,
13 nontaxable lawsuit rewards, such as slander, libel and pain and
14 suffering, excluding reimbursements such as medical and legal
15 expenses associated with the case, support money, nontaxable
16 strike benefits, the gross amount of any pension or annuity,
17 including railroad retirement benefits, all payments received
18 under the federal Social Security Act, state unemployment
19 insurance laws, veterans' disability pensions, nontaxable
20 interest received from the Federal Government or any of its
21 instrumentalities, interest or dividends on obligations or
22 securities of this State and its political subdivisions and
23 authorities, workers' compensation and the gross amount of "loss
24 of time" insurance, cash public assistance and relief, but not
25 including relief granted under this chapter. Income does not
26 include up to \$5,000 in life insurance proceeds used for funeral
27 and burial expenses of the insured or gifts from nongovernmental
28 sources or surplus foods or other relief in kind supplied by a
29 governmental agency.

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32 **STATEMENT OF FACT**

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35 Some older recipients of the Maine Residents Property Tax
36 Program have been considered over the income guidelines
37 established for this program and ineligible because they received
38 proceeds from a small life insurance policy after the death of a
39 spouse. This bill allows up to \$5,000 of life insurance proceeds
40 as an exemption if the proceeds are used for burial expenses.