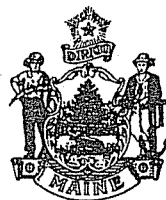


MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1839

H.P. 1268

House of Representatives, May 13, 1991

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27.
Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Speaker MARTIN of Eagle Lake.

Cosponsored by President PRAY of Penobscot, Representative JALBERT of Lisbon and
Senator McCORMICK of Kennebec.

STATE OF MAINE

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

**An Act to Extend Certain Income Tax Benefits to Individuals
Participating in Operation Desert Shield or Operation Desert Storm.**

(AFTER DEADLINE)

(EMERGENCY)



Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the United States Congress has enacted and President Bush has signed legislation authorizing special tax benefits for military personnel participating in Operation Desert Shield or Operation Desert Storm; and

Whereas, state conformity with federal tax policy enables the State to grant similar benefits in most instances; and

Whereas, the extension of all these federal benefits is not automatic at the state level; and

Whereas, the Legislature intends that all such benefits be extended to Maine taxpayers who qualify for the federal benefits; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. Interest. Notwithstanding the Maine Revised Statutes, Title 36, section 5279, subsection 4, the State Tax Assessor shall pay interest beginning April 15, 1991 on any income tax refund due a Maine taxpayer who is a member of the military and eligible for federal income tax benefits because of involvement in Operation Desert Shield or Operation Desert Storm, regardless of the date on which the income tax return is filed.

Sec. 2. Forgiveness of liability. Notwithstanding the Maine Revised Statutes, Title 36, section 5222, if a deceased taxpayer has no federal income tax liability because the death was a direct result of involvement in Operation Desert Shield or Operation Desert Storm, that taxpayer has no state income tax liability for the tax year in which the death occurred and the immediately preceding tax year.

Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved.

STATEMENT OF FACT

This bill ensures that all income tax benefits granted at the federal level because of taxpayers' involvement in Operation

2 Desert Shield or Operation Desert Storm are extended in a like manner to qualifying state taxpayers.