

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 476

H.P. 356

House of Representatives, February 9, 1995

An Act to Revise the Income Tax Code to Make It More Progressive.

Received by the Clerk of the House on February 7, 1995. Referred to the Committee on Taxation and ordered printed pursuant to Joint Rule 14.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative VOLENIK of Sedgwick.
Cosponsored by Representatives: BERRY of Livermore, CHARTRAND of Rockland,
HEESCHEN of Wilton, JONES of Bar Harbor, LEMAIRE of Lewiston, SAMSON of Jay,
SHIAH of Bowdoinham.

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

2
3 **Sec. 1. 36 MRSA §5111, sub-§1-A**, as enacted by PL 1991, c.
4 591, Pt. YY, §2 and affected by §7, is repealed and the following
5 enacted in its place:

6
7 **1-A. Single individuals and married persons filing separate**
8 **returns. For single individuals and married persons filing**
9 **separate returns:**

<u>If Maine taxable income is:</u>	<u>The tax is:</u>
<u>Less than \$6,000</u>	<u>2% of the Maine taxable income</u>
<u>At least \$6,000 but less than \$11,000</u>	<u>\$120 plus 4% of the excess over \$6,000</u>
<u>At least \$11,000 but less than \$15,000</u>	<u>\$320 plus 6% of the excess over \$11,000</u>
<u>At least \$15,000 but less than \$18,000</u>	<u>\$560 plus 8% of the excess over \$15,000</u>
<u>\$18,000 or more</u>	<u>\$800 plus 10% of the excess over \$18,000</u>

32 **Sec. 2. 36 MRSA §5111, sub-§2-A**, as enacted by PL 1991, c.
33 591, Pt. YY, §4 and affected by §7, is repealed and the following
34 enacted in its place:

35 **2-A. Heads of households. For unmarried individuals or**
36 **legally separated individuals who qualify as heads of households:**

<u>If Maine taxable income is:</u>	<u>The tax is:</u>
<u>Less than \$9,000</u>	<u>2% of the Maine taxable income</u>
<u>At least \$9,000 but less than \$16,000</u>	<u>\$180 plus 4% of the excess over \$9,000</u>
<u>At least \$16,000 but less than \$22,000</u>	<u>\$460 plus 6% of the excess over \$16,000</u>

2 At least \$22,000 but \$820 plus 8% of
 less than \$26,000 the excess over
4 \$22,000

6 \$26,000 or more \$1,140 plus 10%
 of the excess
8 over \$26,000

10 Sec. 3. 36 MRSA §5111, sub-§3-A, as enacted by PL 1991, c.
12 591, Pt. YY, §6 and affected by §7, is repealed and the following
 enacted in its place:

14 3-A. Individuals filing married joint return or surviving
 spouses. For individuals filing married joint returns or
16 surviving spouses permitted to file a joint return:

18 If Maine taxable income is: The tax is:

20 Less than \$10,000 2% of the Maine
 taxable income

22 At least \$10,000 but \$200 plus 4% of
24 less than \$18,000 the excess over
 \$10,000

26 At least \$18,000 but \$520 plus 6% of
28 less than \$24,000 the excess over
 \$18,000

30 At least \$24,000 but \$880 plus 8% of
32 less than \$28,000 the excess over
 \$24,000

34 \$28,000 or more \$1,200 plus 10%
36 \$28,000 or more of the excess
 over \$28,000

40 **STATEMENT OF FACT**

42 This bill amends the income tax structural brackets and
44 provides a tax reduction for lower and middle income taxpayers
 and a tax increase for upper income taxpayers.