MAINE STATE LEGISLATURE

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4	DATE: March 30,1998 (Filing No. 5-664)
6	Reproduced and distributed under the direction of the Secretary of the Senate.
8	STATE OF MAINE
10	STATE OF MAINE SENATE 118TH LEGISLATURE
12	SECOND REGULAR SESSION
14	·
16	SENATE AMENDMENT " \mathcal{N} " to COMMITTEE AMENDMENT "A" to H.P. 1397, L.D. 1950, Bill, "An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State
18	Government and Changes to Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years
20	Ending June 30, 1998 and June 30, 1999"
22	Amend the amendment in Part T by striking out all of section 5.
24	
26	Further amend the amendment by inserting after Part DDD the following:
28	PART EEE
30	Sec. EEE-1. 36 MRSA §1752, sub-§3-B, as amended by PL 1991, c. 846, §17, is further amended to read:
32	
34	3-B. Grocery staples. "Grocery staples" means food products ordinarily consumed for human nourishment and includes, but is not limited to, cereals and grain products, including
36	bread, rolls and unflavored matzo; milk and milk products; oleomargarine; meat and meat products; fish and seafood products;
38	poultry; eggs and egg products; vegetables and vegetable products, including pickles; fruit and fruit products, including
40	fruit juices and fruit sauces; naturally flavored powdered or liquid drink mixes or drinks; spices, condiments, including jams,
42	jellies and peanut butter, salt and sugar; coffee and tea; and unroasted nuts.
44	
46	"Grocery staples" does not include spirituous, malt or vinous liquors; soft drinks, iced tea, sodas or beverages such as are ordinarily dispensed at bars or soda fountains or in connection

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	with bars or soda fountains; medicines, tonics, vitamins and
2	preparations in liquid, powdered, granular, tablet, capsule, lozenge or pill form, sold as dietary supplements or adjuncts,
4	except when sold on the prescription of a physician; water,
6	including mineral bottled and carbonated waters and ice; dietary
	substitutes; smack-feed; candy and confections, chewing gum, ice cream novelties; frozen confections; and prepared food.
8	Sec. EEE-2. 36 MRSA §1752, sub-§14-C, as enacted by PL 1991,
10	c. 591, Pt. WW, §2 and affected by §4, is repealed.
12	Sec. EEE-3. 36 MRSA §5126, first \P , as amended by PL 1997, c. 24, Pt. E, $\S 2$, is further amended to read:
14	
	A For income tax years beginning on or after January 1, 1998
16	<u>but before January 1, 1999, a</u> resident individual is allowed
	\$2,100 \$2,400 for each exemption to which the individual is
18	entitled for the taxable year for federal income tax purposes,
20	unless the taxpayer is claimed as a dependent on another return.
20	Ne For income tax years beginning on or after January 1, 1999, a
22	resident individual is allowed \$2,750 for each exemption to which
22	the individual is entitled for the taxable year for federal
24	income tax purposes, unless the taxpayer is claimed as a dependent on another return. An additional exemption may-be is
<i>L</i> -I	not allowed for taxpayers over 65 years of age or blind. The
26	neminal-dollar-amount-of-this-section-is-subject-to-adjustment
	pursuant-to-Title-5,-section-1518.
28	Full dance of 12020 of 100001011 2020.
- •	Sec. EEE-4. 36 MRSA §5126, 2nd ¶, as enacted by PL 1997, c.
30	24, Pt. E, §2, is amended to read:
32	For tax years beginning on or after January 1, 1999 2000, the nominal dollar amount of this section is also subject to
34	annual adjustment by multiplying it by the percentage adjustment
36	factor defined in section 5402, subsection 2 and rounded down to the nearest \$50. If any adjustment is made pursuant to this
	paragraph, it is effective for the current taxable year and is
3.8	incorporated into the income tax forms and instructions of the
	State Tax Assessor for that taxable year.
40	
	Sec. EEE-5. 36 MRSA §6207, sub-§1, ¶A-1, as amended by PI
12	1997, c. 557, Pt. A, §3 and affected by Pt. G, §1, is further
	amended to read:

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income to a maximum payment of \$1,000 \$3,000.

A-1. Fifty percent of that portion of the benefit base that

exceeds $-4\%-\frac{2\%}{2}$ but does not exceed 8% of income plus 100% of that portion of the benefit base that exceeds $-8\%-\frac{6\%}{2}$ of

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SENATE AMENDMENT

2	Sec. EEE-6. 36 MRSA §6207, sub-§2, as amended by PL 1997, c. 557, Pt. A, §3 and affected by Pt. G, §1, is further amended to read:
4	2 Tanana alimikilika Girala mrakan karaskalda riikk
6	2. Income eligibility. Single-member households with household incomes in excess of \$25,700 \$40,000 and households with 2 or more members with a household income in excess of
8	\$40,000 \$60,000 are not eligible for a benefit.
10	Sec. EEE-7. Application. That section of this Part that amends the Maine Revised Statutes, Title 36, section 5111 applies
12	to tax years beginning on or after January 1, 1998.
14	Sec. EEE-8. Effective date. That section of this Part that amends the Maine Revised Statutes, Title 36, section 1752,
16	subsection 3-B and that section of this Part that repeals Title 36, section 1752, subsection 14-C take effect July 1, 1998.
18	
20	PART FFF
22	Sec. FFF-1. Transfer of funds. Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any other provision of
24	law, the State Controller is authorized to transfer \$47,051,828 from the Tax Relief Fund for Maine Residents to the General Fund
26	unappropriated surplus in fiscal year 1998-99.
28	Sec. FFF-2. Transfer of funds. Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any other provision of
30	law, the State Controller is authorized to transfer \$29,207,655 from the Tobacco Tax Relief Fund to the General Fund
32	unappropriated surplus in fiscal year 1998-99.
34	Sec. FFF-3. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of
36	this Part.
38	1998-99
40	ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF
42	Markey Devile 4 Devel 4 To D
44	Maine Resident Property Tax Program
46	All Other \$35,058,408
48	Provides funds for expanded benefits under the circuit breaker program.'
50	Further amend the amendment by relettering or renumbering

SENATE AMENDMENT " $\sqrt{\ }$ " to COMMITTEE AMENDMENT "A" to H.P. 1397, L.D. 1950

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SENATE AMENDMENT

2	any nonconsecutive Part letter or section number to reac consecutively.
4	FISCAL NOTE
- 6	This amendment will have no net effect on General Fund
8	appropriations and revenue and a balanced budget is maintained for fiscal year 1997-98 and fiscal year 1998-99.
10	SUMMARY
12	
14	This amendment repeals the snack tax, effective January 1, 1999, but leaves intact the taxation of those items that were taxable prior to the enactment of the snack tax.
16	This amendment also increases the individual income tax
18	personal exemption in a 2-step process in an attempt to conform with the federal individual income tax personal exemption.
20	This amendment expands the circuit breaker program in 3
22	ways. First, the tax to income thresholds are reduced from 4% and 8% to 2% and 6%, respectively. Second, the income thresholds
24	are increased in program year 1998 from \$26,400 for singles and \$41,100 for joint filers to \$40,000 and \$60,000, respectively.
26	Third, it increases the maximum benefit from \$1,000 to \$3,000.
28	This amendment funds the repeal of the snack tax, the expansion of the circuit breaker program and the increase in the
30	personal exemption with funding from the Maine Rainy Day Fund.
32	
34	SPONSORED BY: (Senator AMERO)
36	COUNTY: Cumberland

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SENATE AMENDMENT " \not " to COMMITTEE AMENDMENT "A" to H.P. 1397,

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