

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
SECOND REGULAR SESSION

HOUSE AMENDMENT "A" to H.P. 1589, L.D. 2219, Bill, "An Act to Reduce Income and Property Taxes"

Amend the bill by inserting after section 1 the following:

Sec. 2. 36 MRSA §5122, sub-§2, ¶H, as amended by PL 1995, c. 639, §16, is further amended to read:

H. For each taxable year subsequent to the year of the loss, an amount equal to the absolute value of the net operating loss arising from tax years beginning on or after January 1, 1989, but before January 1, 1993, for which federal adjusted gross income was increased in accordance with subsection 1, paragraph H and that pursuant to the Code, Section 172 was carried back for federal income tax purposes, but only to the extent that:

- (1) Maine taxable income is not reduced below zero;
- (2) The taxable year is within the allowable federal period for carry-over; and
- (3) The amount has not been previously used as a modification pursuant to this subsection; and

Sec. 3. 36 MRSA §5122, sub-§2, ¶J, as enacted by PL 1995, c. 639, §17, is amended to read:

I. For income tax years beginning on or after January 1, 1991, an amount equal to the amount by which federal taxable

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income was reduced because of vessel earnings from fishing operations that were contributed to a capital construction fund; and

Sec. 4. 36 MRSA §5122, sub-§2, ¶J is enacted to read:

J. For income tax years beginning on or after January 1, 1998, an amount equal to the amount of retirement benefits received resulting from service in the United States Armed Forces.'

Further amend the bill in section 4 by striking out all of the first line in that part designated "§6221. Definitions" (page 1, line 46 in L.D.) and inserting in its place the following: '§6222. Definitions'

Further amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

FISCAL NOTE

This amendment will reduce income tax collections. The resulting reductions of General Fund revenue, Tax Relief Fund for Maine Residents revenue and dedicated revenue to the Local Government Fund for state-municipal revenue sharing can not be estimated at this time.

SUMMARY

This amendment exempts from the income tax retirement benefits received by persons due to their service in the United States Armed Forces.

SPONSORED BY: Adam Mack
(Representative MACK)

TOWN: Standish