

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 101

H.P. 88

House of Representatives, January 11, 1999

An Act to Provide a State Income Tax Deduction for Rent.

Reference to the Committee on Taxation suggested and ordered printed.

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

JOSEPH W. MAYO, Clerk

Presented by Representative AHEARNE of Madawaska.
Cosponsored by Senator PENDLETON of Cumberland and
Representatives: BOLDUC of Auburn, CLARK of Millinocket, O'NEAL of Limestone,
SANBORN of Alton, STEVENS of Orono, WHEELER of Eliot, Senators: BERUBE of
Androscoggin, PARADIS of Aroostook.

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

4 **Sec. 1. 36 MRSA §5132 is enacted to read:**

6 **§5132. Rent payment deduction**

8 **1. Deduction. A person who earns under \$25,700 a year and**
10 **who rents a dwelling for use as that person's place of residence**
12 **is allowed to deduct from that person's Maine adjusted gross**
14 **income the lesser of the following:**

16 **A. The amount of rent paid by that person with respect to**
18 **the dwelling during the taxable year;**

20 **B. Three thousand dollars if that person is filing a single**
22 **tax return; or**

24 **C. Five thousand dollars if that person is filing a joint**
26 **tax return or is a single parent with children.**

28 **2. Definition. For purposes of this section, "dwelling"**
30 **includes a single-family dwelling or a unit of a multifamily**
32 **dwelling.**

34 **Sec. 2. Application.** This Act applies to tax years beginning
36 on or after January 1, 2000.

SUMMARY

This bill creates a rental deduction from state income tax for a person who earns less than \$25,700 and who uses the rental dwelling as that person's dwelling. The deduction is the lesser of the rent paid during the taxable year or \$5,000 for a person who is filing a joint tax return or is a single parent with children or \$3,000 for a person filing a single tax return. The deduction applies to tax years beginning January 1, 2000.