

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 176

S.P. 73

In Senate, January 11, 1999

An Act to Provide Certain Small Businesses a Tax Credit Against Health Care Costs.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator MacKINNON of York.
Cosponsored by Representative MacDOUGALL of North Berwick and
Senators: DAVIS of Piscataquis, KIEFFER of Aroostook, Representatives: MURPHY of
Berwick, WHEELER of Eliot.

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

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4 Sec. 1. 36 MRSA §5217-C is enacted to read:

6 §5217-C. Employer-paid health insurance credit

8 1. Credit. A taxpayer constituting an employing unit is allowed a credit against the tax imposed by this Part in the amount determined under subsection 2.

10 2. Amount of credit. The credit allowed by this section is equal to 25% of the cost incurred by the taxpayer in providing health insurance for full-time employees of the business and the dependents of those employees.

12 3. Eligible taxpayers. A taxpayer is eligible for a credit under this section if the taxpayer employs fewer than 50 employees and provides health insurance benefits for all of its full-time employees.

14 4. Limitation. The amount of the credit that may be used by a taxpayer for a taxable year may not exceed the amount of tax otherwise due under this Part. Any unused credit may be carried over to the following year or years for a total period not to exceed 15 years.

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28 **SUMMARY**

30 This bill provides an income tax credit for businesses that
32 provide health insurance benefits for full-time employees and that have fewer than 50 employees.