

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

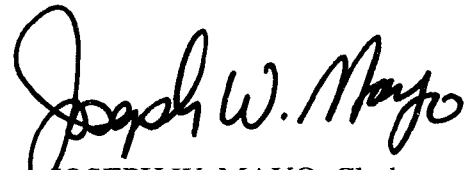
No. 1045

H.P. 755

House of Representatives, February 9, 1999

**An Act to Increase the State Income Tax Brackets to Match the Federal
Income Tax Brackets.**

Reference to the Committee on Taxation suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative POVICH of Ellsworth.
Cosponsored by Representatives: BOUFFARD of Lewiston, LEMONT of Kittery, MAYO of
Bath, McALEVEY of Waterboro, McDONOUGH of Portland, PEAVEY of Woolwich,
WHEELER of Eliot, Senator: MURRAY of Penobscot.

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

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Sec. 1. 36 MRSA §5111, sub-§1-A, as enacted by PL 1991, c. 591, Pt. YY, §2 and affected by §7, is amended to read:

1-A. Single individuals and married persons filing separate returns. For single individuals and married persons filing separate returns:

If Maine taxable income is:	The tax is:
Less than \$4,050 <u>\$25,750</u>	2% of the Maine taxable income
At least \$4,050 <u>\$25,750</u> but less than \$8,100 <u>\$62,450</u>	\$81 <u>\$515</u> plus 4.5% of the excess over \$4,050 <u>\$25,750</u>
At least \$8,100 <u>\$62,450</u> but less than \$16,200 <u>\$130,250</u>	\$263 <u>\$2,167</u> plus 7% of the excess over \$8,100 <u>\$62,450</u>
\$16,200 <u>\$130,250</u> or more	\$830 <u>\$6,913</u> plus 8.5% of the excess over \$16,200 <u>\$130,250</u>

Sec. 2. 36 MRSA §5111, sub-§2-A, as enacted by PL 1991, c. 591, Pt. YY, §4 and affected by §7, is amended to read:

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

If Maine taxable income is:	The tax is:
Less than \$6,100 <u>\$34,550</u>	2% of the Maine taxable income
At least \$6,100 <u>\$34,550</u> but less than \$12,150 <u>\$89,150</u>	\$122 <u>\$691</u> plus 4.5% of the excess over \$6,100 <u>\$34,550</u>
At least \$12,150 <u>\$89,150</u> but less than \$24,300 <u>\$144,400</u>	\$394 <u>\$3,148</u> plus 7% of the excess over \$12,150 <u>\$89,150</u>

2 \$24,300 \$144,400 \$1,245 \$7,015
 or more plus 8.5% of the
 4 excess over
 \$24,300 \$144,400

6 Sec. 3. 36 MRSA §5111, sub-§3-A, as enacted by PL 1991, c.
 8 591, Pt. YY, §6 and affected by §7, is amended to read:

10 3-A. Individuals filing married joint return or surviving
 12 spouses. For individuals filing married joint returns or
 surviving spouses permitted to file a joint return:

14	If Maine taxable income is:	The tax is:
16	Less than \$8,100	2% of the Maine
18	<u>\$43,050</u>	taxable income
20	At least \$8,100 <u>\$43,050</u>	\$162 <u>\$861</u> plus
22	but less than \$16,200	4.5% of the
	<u>\$104,050</u>	excess over
		\$8,100 <u>\$43,050</u>
24	At least \$16,200 <u>\$104,050</u>	\$527 <u>\$3,606</u>
26	but less than \$32,400	plus 7% of
	<u>\$158,550</u>	the excess over
		\$16,200 <u>\$104,050</u>
28	\$32,400 <u>\$158,550</u> or more	\$1,661 <u>\$7,421</u>
30		plus 8.5% of the
32		excess over
		\$32,400 <u>\$158,550</u>

34 **SUMMARY**

36 This bill changes the state individual income tax brackets
 38 to the 1999 federal income tax brackets and retains the current
 state rate structure.