

MAINE STATE LEGISLATURE

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DATE: June 5, 1999

(Filing No. S-442)

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**STATE OF MAINE
SENATE
119TH LEGISLATURE
FIRST REGULAR SESSION**

SENATE AMENDMENT " C " to H.P. 1053, L.D. 1484, Bill, "An Act to Conform the Maine Tax Laws for 1998 With the United States Internal Revenue Code"

Amend the bill by inserting after section 1 the following:

Sec. 2. 36 MRSA §5122, sub-§1, ¶J, as amended by PL 1997, c. 746, §2 and affected by §24, is further amended to read:

J. The amount claimed as a business expense that is included in the investment credit for the high-technology investment tax credit; and

Sec. 3. 36 MRSA §5122, sub-§1, ¶K, as enacted by PL 1997, c. 746, §3 and affected by §24, is amended to read:

K. For income tax years beginning on or after January 1, 1997, all items of loss, deduction and other expense of a financial institution subject to the tax imposed by section 5206, to the extent that those items are passed through to the taxpayer for federal income tax purposes, including, if the financial institution is an S corporation, the taxpayer's pro rata share and, if the financial institution is a partnership or limited liability company, the taxpayer's distributive share. An addition may not be made under this paragraph for any losses recognized on the disposition by a taxpayer of an ownership interest in a financial institution; and

Sec. 4. 36 MRSA §5122, sub-§1, ¶L is enacted to read:

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FISCAL NOTE

This bill decreases individual income tax collections beginning in fiscal year 2001-02, resulting in future net reductions of gross tax collections, prior to the transfers to the Local Government Fund, of \$126,127 in fiscal year 2001-02 and \$757,372 in fiscal year 2002-03.

SUMMARY

SPONSORED BY: Richard I. Ruhlman *muz*
(Senator RUHLIN)

COUNTY: Penobscot