MAINE STATE LEGISLATURE

The following document is provided by the

LAW AND LEGISLATIVE DIGITAL LIBRARY

at the Maine State Law and Legislative Reference Library

http://legislature.maine.gov/lawlib



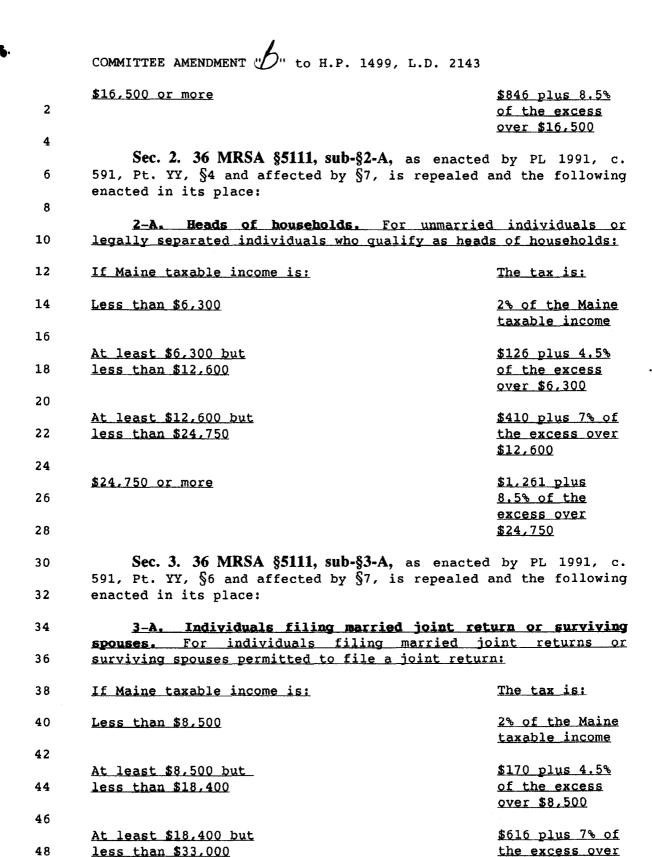
Reproduced from scanned originals with text recognition applied (searchable text may contain some errors and/or omissions)



46

| | | L.D. 2143 | |
|-----|---|----------------|---|
| 2 | DATE: 6-2-99 | (Filing No. | н-742 |
| 4 | MINORIT | | 1105 |
| 6 | TAXATION | / | |
| 8 | | | |
| 10 | Reproduced and distributed under the the the House. | direction | of the Clerk of |
| 12 | STATE OF MAIN | NE . | |
| 14 | HOUSE OF REPRESEN 119TH LEGISLAT | TATIVES | |
| 16 | FIRST REGULAR SE | | |
| 18 | COMMITTEE AMENDMENT " \mathcal{B} " to H.P. | | |
| 20 | COMMITTEE AMENDMENT "D" to H.P. : Act to Reduce the Income Tax" | 1499, L.D. | 2143, Bill, "An |
| 22 | Amend the bill by striking out eve | _ | |
| 24 | clause and before the summary and in following: | sercing in | n its place the |
| 26 | 'Sec. 1. 36 MRSA §5111, sub-§1-A, a | | |
| 28 | 591, Pt. YY, $\S 2$ and affected by $\S 7$, is enacted in its place: | repeated a | ind the following |
| 30 | 1-A. Single individuals and marri returns. For single individuals and | | |
| 3 2 | separate returns: | I Marrieu | persons filling |
| 34 | If Maine taxable income is: | | The tax is: |
| 36 | Less than \$4,150 | | 2% of the Maine taxable income |
| 8 8 | | | |
| 10 | At least \$4,150 but less than \$8,250 | | \$83 plus 4.5% of the excess over \$4,150 |
| 12 | | | |
| 14 | At least \$8,250 but less than \$16,500 | | \$268 plus 7% of the excess over \$8,250 |

Page 1-LR1865(3)



Page 2-LR1865(3)

50

\$18,400

COMMITTEE AMENDMENT

| r. 4 8. | COMMITTEE AMENDMENT "B" to H.P. 1499, L.D. 2143 |
|---------|---|
| 2 | \$33,000 or more \$1,638 plus 8.5% of the excess over |
| 4 | \$33,000 |
| 6 | Sec. 4. Application. This Act applies to tax years beginning on or after January 1, 2000. |
| 8 | Further amend the bill by inserting at the end before the |
| 10 | summary the following: |
| 12 | FISCAL NOTE |
| 14 | |
| 16 | 1999-00 2000-01 REVENUES |
| 18 | General Fund (\$4,185,090) (\$9,428,315) |
| 20 | Other Funds (\$4,165,090) (\$9,428,315) (224,910) (506,685) |
| 22 | The increase of certain income tax brackets will decrease individual income tax collections by \$4,410,000 in fiscal year |
| 24 | 1999-00 and \$9,935,000 in fiscal year 2000-01. The reduction of these tax collections will decrease the amounts transferred to |
| 26 | the Local Government Fund for state-municipal revenue sharing in those years by \$224,910 and \$506,685, respectively. The |
| 28 | resulting net reductions of General Fund revenue will be \$4,185,090 in fiscal year 1999-00 and \$9,428,315 in fiscal year |
| 30 | 2000-01. |
| 32 | The Bureau of Revenue Services will incur some minor additional costs to implement these individual income tax |
| 34 | changes. These costs can be absorbed within the bureau's existing budgeted resources.' |
| 36 | |

38 SUMMARY

40

42

This amendment reduces individual income taxes by reducing the lower 3 bracket amounts for heads of households and married persons filing jointly. The amendment also adds a fiscal note to the bill.