

# MAINE STATE LEGISLATURE

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*M  
R 03*

L.D. 2542

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DATE: 2/18/2000

(Filing No. S- 498 )

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

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SENATE AMENDMENT "A" to S.P. 989, L.D. 2542, Bill, "An Act to Provide Equity in the Taxation of Public Pensions"

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Amend the bill in section 3 in paragraph M in the first line (page 1, line 42 in L.D.) by striking out the following: "\$10,000 of state, federal and military" and inserting in its place the following: '\$15,000 for single individuals and \$30,000 for married persons filing joint returns of'

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Further amend the bill in section 3 in paragraph M in the 2nd line (page 1, line 43 in L.D.) by inserting after the following: "pension benefits" the following: 'from a defined benefit plan as defined in Section 414(j) of the Code'

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**FISCAL NOTE**

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This amendment will increase the General Fund revenue reductions of the bill by \$3,702,141 in fiscal year 1999-00 and \$49,296,588 in fiscal year 2000-01.

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As amended, this income modification for certain pension benefits will decrease individual income tax collections by \$5,756,500 in fiscal year 1999-00 and \$76,445,700 in fiscal year 2000-01. The reduction of these tax collections will decrease the amounts transferred to the Local Government Fund for state-municipal revenue sharing in those years by \$293,582 and \$3,898,731, respectively. The resulting net reductions of General Fund revenue will be \$5,462,918 in fiscal year 1999-00 and \$72,546,969 in fiscal year 2000-01.

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**SENATE AMENDMENT**

R 13

SENATE AMENDMENT "A" to S.P. 989, L.D. 2542

2           The Bureau of Revenue Services will incur additional costs  
4           to audit the additional number of returns added as a result of  
6           this amendment. The appropriation included in the bill is  
          sufficient to provide the resources to implement this bill as  
          amended by this amendment.

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**SUMMARY**

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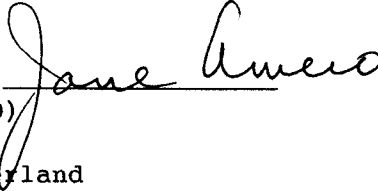
12           This amendment increases the amount of pension benefits  
14           exempt from Maine income tax to \$15,000 for individuals filing  
16           single returns and to \$30,000 for married persons filing joint  
          returns. This amendment also includes private retirement pension  
          benefits.

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SPONSORED BY:

(Senator AMERO)



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COUNTY: Cumberland

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