MAINE STATE LEGISLATURE

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6   TAXATION

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10   Reproduced and distributed under the direction of the Clerk of
     the House.

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                        STATE OF MAINE
14   HOUSE OF REPRESENTATIVES
                    120TH LEGISLATURE
16   FIRST REGULAR SESSION

18
              COMMITTEE AMENDMENT "A" to H.P. 475, L.D. 615, Bill, "An
20   Act to Eliminate the Marriage Penalty under the Income Tax Laws"

22   Amend the bill in section 1 in the first paragraph in the
     2nd line (page 1, line 8 in L.D.) by striking out the following:
24   "or" and inserting in its place the following: ', resident
     taxpayers'

26
          Further amend the bill in section 1 in the first paragraph
28   in the 3rd line (page 1, line 9 in L.D.) by inserting after the
     following: "returns" the following: 'or resident taxpayers who
30   are individuals who can be claimed as dependents on another
     taxpayer's return'

32
          Further amend the bill in section 1 in the first paragraph
34   in the 5th line (page 1, line 11 in L.D.) by inserting after the
     following: "returns" the following: , but excluding those who
36   can be claimed as dependents on another taxpayer's return,'

38   Further amend the bill by inserting at the end before the
     summary the following:

40

42   'FISCAL NOTE

44   2001-02   2002-03

46   **REVENUES**

48   General Fund   ($21,705,471)   ($16,370,817)
          Other Funds   (1,166,469)   (879,780)

COMMITTEE AMENDMENT

R. of S.

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     The increase of the standard deduction for certain taxpayers
4 will decrease individual income tax collections by $22,871,940 in
fiscal year 2001-02 and $17,250,597 in fiscal year 2002-03. The
6 reduction of these tax collections will decrease the amounts
transferred to the Local Government Fund for state-municipal
8 revenue sharing in those years by $1,166,469 and $879,780,
respectively. The resulting net reductions of General Fund
10 revenue will be $21,705,471 in fiscal year 2001-02 and
$16,370,817 in fiscal year 2002-03.

12

     The Bureau of Revenue Services will incur some minor
14 additional costs for computer programming changes. These costs
can be absorbed within the bureau's existing budgeted resources.'

16

18   SUMMARY

20   This amendment clarifies that the doubling of the standard
deduction does not apply to individuals who file joint returns
22 and are also included as dependents on the return of another
taxpayer.

24

     The amendment also adds a fiscal note to the bill.

COMMITTEE AMENDMENT