

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 1370

H.P. 1021

House of Representatives, March 5, 2001

An Act to Increase the Tax Deduction Benefit for Retired Teachers to \$10,000.

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative PARADIS of Frenchville.
Cosponsored by Senator O'GARA of Cumberland and
Representatives: DESMOND of Mapleton, HALL of Bristol, MARLEY of Portland,
MICHAUD of Fort Kent, SHERMAN of Hodgdon, SMITH of Van Buren, Senators:
CATHCART of Penobscot, SAVAGE of Knox.

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

2
3 **Sec. 1. 36 MRSA §5122, sub-§2, ¶L**, as amended by PL 1999, c.
4 708, §35 and c. 731, Pt. S, §2 and affected by §4 and amended by
5 c. 790, Pt. A, §49, is repealed and the following enacted in its
6 place:

7 L. For income tax years beginning on or after January 1,
8 2000, an amount equal to the total premiums spent for
9 qualified long-term care insurance contracts as defined in
10 the Code, Section 7702B(b), as long as the amount subtracted
11 is reduced by the long-term care premiums claimed as an
12 itemized deduction pursuant to section 5125;

13 **Sec. 2. 36 MRSA §5122, sub-§2, ¶M**, as enacted by PL 1999, c.
14 708, §36 and c. 731, Pt. S, §3 and affected by §4, is repealed
15 and the following enacted in its place:

16 M. An amount, for each recipient of benefits under an
17 employee retirement plan, that is the lesser of:

18 (1) Six thousand dollars reduced by the total amount
19 of social security benefits and railroad retirement
20 benefits paid by the United States, but not less than
21 \$0, except that for a teacher receiving retirement
22 benefits under the Maine State Retirement System, the
23 deduction amount under this subparagraph is \$10,000
24 reduced by the total amount of social security benefits
25 and railroad retirement benefits paid by the United
26 States. For purposes of this subparagraph, "teacher"
27 means a person who was certified by the Department of
28 Education primarily to introduce new learning to
29 students; or

30 (2) The aggregate of benefits received under employee
31 retirement plans and included in federal adjusted gross
32 income.

33 For purposes of this paragraph, "employee retirement plan"
34 means a state, federal or military retirement plan or any
35 other retirement benefit plan established and maintained by
36 an employer for the benefit of its employees under Section
37 401(a), Section 403 or Section 457(b) of the Code.
38 "Employee retirement plan" does not include an individual
39 retirement account under Section 408 of the Code, a Roth IRA
40 under Section 408A of the Code, a rollover individual
41 retirement account, a simplified employee pension under
42 Section 408(k) of the Code or an ineligible deferred
43 compensation plan under Section 457(f) of the Code;

