MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 1539

S.P. 475

In Senate, March 8, 2001

An Act to Promote Charitable Giving in the State.

Reference to the Committee on Taxation suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator LONGLEY of Waldo. Cosponsored by Representative GREEN of Monmouth and Senator GAGNON of Kennebec.

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

2	
	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
c	c. 790, Pt. A, §49, is repealed and the following enacted in its
6	place:
8	L. For income tax years beginning on or after January 1,
	2000, an amount equal to the total premiums spent for
10	qualified long-term care insurance contracts as defined in the Code, Section 7702B(b), as long as the amount subtracted
12	is reduced by the long-term care premiums claimed as an itemized deduction pursuant to section 5125;
14	
	Sec. 2. 36 MRSA §5122, sub-§2, ¶M, as enacted by PL 1999, c.
16	708, §36 and c. 731, Pt. S, §3 and affected by §4, is repealed and the following enacted in its place:
18	
	M. An amount, for each recipient of benefits under an
20	employee retirement plan, that is the lesser of:
22	(1) Six thousand dollars reduced by the total amount
	of social security benefits and railroad retirement
24	<pre>benefits paid by the United States, but not less than \$0; or</pre>
26	
	(2) The aggregate of benefits received under employee
28	retirement plans and included in federal adjusted gross
	income.
30	
	For purposes of this paragraph, "employee retirement plan"
32	means a state, federal or military retirement plan or any
	other retirement benefit plan established and maintained by
34	an employer for the benefit of its employees under Section
3.6	401(a), Section 403 or Section 457(b) of the Code.
36	"Employee retirement plan" does not include an individual
38	retirement account under Section 408 of the Code, a Roth IRA
30	under Section 408A of the Code, a rollover individual retirement account, a simplified employee pension under
40	Section 408(k) of the Code or an ineligible deferred
40	compensation plan under Section 457(f) of the Code;
42	compensacion pian under peccion 43/(1) of the code,
	Sec. 3. 36 MRSA §5122, sub-§2, ¶¶N and O are enacted to read:
44	
	N. Interest or dividends on obligations or securities of
46	this State and its political subdivisions and authorities to
	the extent included in federal adjusted gross income;

48

O. To the extent not included in itemized deductions under
section 5125, an amount equal to the taxpayer's donations up
to \$20,000 to organizations described in Section 501(c)(3)
of the Code that are incorporated or based in the State.
Sec. 3. Application. This Act applies to tax years beginning
on or after January 1, 2001.
SUMMARY
DOMMAKI
This bill proposes an income tax deduction of up to \$20,000
for donations to Maine-based charitable organizations to the
extent that those donations are not already included in itemized
deductions.
This bill also corrects a conflict created by Public Law
1999, chapters 708 and 731, each of which enacted a new Maine
Revised Statutes, Title 36, section 5122, subsection 2, paragraph
M. This bill resolves the conflict by reallocating one of the
new paragraphs to be Title 36, section 5122, subsection 2,
paragraph N.