

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 1204

S.P. 398

In Senate, March 6, 2003

An Act To Provide for Fairer Income Taxation

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator STRIMLING of Cumberland.

Cosponsored by Senator GILMAN of Cumberland, Representative CRESSEY of Baldwin.

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

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Sec. 1. 36 MRSA §5219-N, sub-§1, as enacted by PL 1997, c. 557, Pt. E, §1 and affected by §2 and Pt. G, §1, is amended to read:

1. **Generally.** Except as otherwise provided by this section, an individual whose state taxable income is ~~\$2,000 or less~~ equal to or less than the poverty line established for that tax year is allowed a credit equal to the amount of the tax otherwise imposed on that individual by this Part. In no case may the credit allowed by this section reduce an individual's state income tax liability to less than zero. For purposes of this subsection, "poverty line" means the official poverty line established for the 48 contiguous states and the District of Columbia as defined by the United States Office of Management and Budget under the authority of 42 United States Code, Section 9902(2).

SUMMARY

Current law exempts from the Maine income tax an individual whose state taxable income is \$2,000 or less. This bill increases the exemption to the amount of the poverty line established for that tax year.