

MAINE STATE LEGISLATURE

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1005

L.D. 1523

DATE: 5-9-03

(Filing No. S-127)

TAXATION

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STATE OF MAINE
SENATE
121ST LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 511, L.D. 1523, Bill, "An Act To Change the Tax Laws as They Apply to Combat Troops"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

'Sec. 1. 36 MRSA §5116 is enacted to read:

§5116. Tax waiver for combat casualty

A taxpayer whose income tax liability is forgiven pursuant to Section 692 of the Code for any tax year is entitled to a waiver of state income tax for the same tax year, including any related interest and penalty, in the same manner in which the federal tax liability is forgiven. In the case of a joint return, the waiver is equal to the proportion of the tax on the joint return equal to the ratio of the deceased taxpayer's tax liability computed as if both taxpayers were filing separately to the sum of the deceased taxpayer's tax liability and the taxpayer's spouse's tax liability computed as if filing separately.

Sec. 2. Application. This Act applies to tax years beginning on or after January 1, 2003.'

SUMMARY

This bill provides a waiver of income taxes owed by a

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COMMITTEE AMENDMENT "A" to S.P. 511, L.D. 1523

2 military person who dies in a combat zone or from wounds, disease or other injury received in a combat zone in the same manner as is provided pursuant to Section 692 of the Internal Revenue Code.

FISCAL NOTE REQUIRED
(See attached)

Approved: 05/07/03 *MAC*

**121st Maine Legislature
Office of Fiscal and Program Review**



LD 1523

An Act To Change the Tax Laws as They Apply to Combat Troops

LR 2051(02)

Fiscal Note for Bill as Amended by Committee Amendment 'A'S-127

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

Minor revenue decrease - General Fund

Fiscal Detail and Notes

Waiving state individual income tax liability for a member of the armed forces who dies in a combat zone will reduce General Fund revenue. The amount of revenue loss can not be determined at this time, but is not expected to be significant.