

MAINE STATE LEGISLATURE

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2003

L.D. 1633

DATE: 6-13-03

(Filing No. S-284)

2
4
6
8
10
12
14
16
18
20
22
24
26
28
30
32
34
36
38
40
42

TAXATION

Reported by: Majority

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**STATE OF MAINE
SENATE
121ST LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 589, L.D. 1633, Bill, "An Act Regarding Conformity with the Federal Jobs and Growth Tax Relief Reconciliation Act of 2003"

Amend the bill in section 2 in paragraph N in subparagraph (2) in the last line (page 1, line 31 in L.D.) by striking out the following: "or" and inserting in its place the following: 'and'

Further amend the bill in section 5 in paragraph N in subparagraph (2) in the last line (page 3, line 10 in L.D.) by striking out the following: "or" and inserting in its place the following: 'and'

SUMMARY

This amendment is the majority report of the Joint Standing Committee on Taxation. This amendment makes technical corrections to reflect the intent of the bill.

FISCAL NOTE REQUIRED
(See attached)

COMMITTEE AMENDMENT

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

LD 1633

**An Act Regarding Conformity with the Federal Jobs and Growth Tax
Relief Reconciliation Act of 2003**



LR 2170(03)

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Taxation

Fiscal Note Required: Yes

Majority Report

Fiscal Note

No net General Fund revenue impact

Fiscal Detail and Notes

This bill has no net General Fund cost. It requires the state to conform to recent federal income tax law changes but requires taxpayers to make adjustments to income to avoid the significant General Fund revenue loss that would result from full conformity. The following table is provided for informational purposes only as it reflects the General Fund revenue loss associated with fully conforming to the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27, if the adjustments contained in this bill were not made.

	2003-04	2004-05	Projections 2005-06	Projections 2006-07
Revenue				
General Fund - Marriage Penalty	(\$21,857,937)	(\$9,770,335)	\$0	\$0
General Fund - Alternative Minimum Tax Exemption	(\$492,294)	(\$480,431)	\$0	\$0
General Fund - Increased Expensing (Section 179)	(\$3,651,236)	(\$2,925,455)	(\$2,320,052)	\$3,089,684
General Fund - Bonus Depreciation	(\$28,171,846)	(\$16,549,702)	\$1,259,644	\$8,032,326
	(\$54,173,313)	(\$29,725,923)	(\$1,060,408)	\$11,122,010