

# MAINE STATE LEGISLATURE

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77  
10/18

L.D. 332

DATE: 5/18/5

(Filing No. H-404)

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
122ND LEGISLATURE  
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 255, L.D. 332, Bill, "An Act To Exempt Unemployment Benefits from State Income Tax"

Amend the bill by striking out all of the emergency preamble (page 1, lines 1 to 19 in L.D.)

Further amend the bill in section 3 by striking out all of paragraph U (page 2, line 28 in L.D.) and inserting in its place the following:

'U. Unemployment compensation as defined by the Code, Section 85 to the extent included in federal adjusted gross income.'

Further amend the bill by inserting after section 4 the following:

**'Sec. 5. Appropriations and allocations.** The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES,  
DEPARTMENT OF**

**Maine Revenue Services 0002**

Initiative: Provides funds for the administrative costs

2008

COMMITTEE AMENDMENT "A" to H.P. 255, L.D. 332

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associated with the income tax deduction including funds for one part-time Tax Examiner position.

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<b>GENERAL FUND</b>	<b>2005-06</b>	<b>2006-07</b>
POSITIONS - LEGISLATIVE COUNT	1.000	1.000
Personal Services	\$26,265	\$42,385
All Other	\$20,822	\$7,622
<b>GENERAL FUND TOTAL</b>	<b>\$47,087</b>	<b>\$50,007'</b>

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Further amend the bill by striking out all of the emergency clause (page 2, lines 33 and 34 in L.D.)

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**SUMMARY**

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This amendment corrects language to accomplish the intent of the bill and strikes the emergency preamble and emergency clause. It also adds an appropriations and allocations section.

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**FISCAL NOTE REQUIRED**  
(See attached)

**COMMITTEE AMENDMENT**



# 122nd MAINE LEGISLATURE

LD 332

LR 1549(02)

## An Act To Exempt Unemployment Benefits from State Income Tax

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

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

	2005-06	2006-07	Projections 2007-08	Projections 2008-09
<b>Net Cost (Savings)</b>				
General Fund	\$10,385,104	\$9,636,182	\$10,389,007	\$11,092,340
<b>Appropriations/Allocations</b>				
General Fund	\$47,087	\$50,007	\$54,056	\$56,009
<b>Revenue</b>				
General Fund	(\$10,338,017)	(\$9,586,175)	(\$10,334,951)	(\$11,036,331)
Other Special Revenue Funds	(\$555,574)	(\$515,168)	(\$566,896)	(\$605,368)

#### Fiscal Detail and Notes

Exempting unemployment benefits from income tax is expected to result in a General Fund revenue loss of \$10,338,017 in fiscal year 2005-06 and \$9,586,175 in fiscal year 2006-07. This bill also includes General Fund appropriations of \$47,087 in fiscal year 2005-06 and \$50,007 in fiscal year 2006-07 for Maine Revenue Services to support the administrative costs associated with this deduction.