

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 436

H.P. 321

House of Representatives, January 27, 2005

An Act To Eliminate Estate Taxes on Family-owned Businesses

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative BOWEN of Rockport.
Cosponsored by Representative HANLEY of Paris, Senator COURTNEY of York and
Representatives: BIERMAN of Sorrento, BOWLES of Sanford, McCORMICK of West
Gardiner, RECTOR of Thomaston, TARDY of Newport, Senator: NASS of York.

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

4 **Sec. 1. 36 MRSA §4062, sub-§1-A, ¶A**, as amended by PL 2003, c.
673, Pt. D, §1, is further amended to read:

6 A. For the estates of decedents dying after December 31,
7 2002 and before January 1, 2005, "federal credit" means the
8 maximum credit for state death taxes determined under the
9 Code, Section 2011 as of December 31, 2002 exclusive of the
10 reduction of the maximum credit contained in the Code,
11 Section 2011(b)(2); the period of limitations under the
12 Code, Section 2011(c); and the termination provision
13 contained in the Code, Section 2011(f). The adjusted
14 taxable estate is to be determined using the applicable
15 section of the Code as of the date of the decedent's death,
16 except that the state death tax deduction contained in the
17 Code, Section 2058 is to be disregarded. The unified credit
18 is to be determined under the Code, Section 2010 as of
19 December 31, 2000; and

20 **Sec. 2. 36 MRSA §4062, sub-§1-A, ¶A-1** is enacted to read:

22 A-1. For the estates of decedents dying on or after January
23 1, 2005, "federal credit" means the maximum credit for state
24 death taxes determined under the Code, Section 2011 as of
25 December 31, 2002 exclusive of the reduction of the maximum
26 credit contained in the Code, Section 2011(b)(2); the period
27 of limitations under the Code, Section 2011(c); and the
28 termination provision contained in the Code, Section
29 2011(f). The adjusted taxable estate is to be determined
30 using the applicable section of the Code as of the date of
31 the decedent's death, except that the state death tax
32 deduction contained in the Code, Section 2058 is to be
33 disregarded. The unified credit is to be determined under
34 the Code, Section 2010 as of December 31, 2003; and

36 **Sec. 3. 36 MRSA §4063, sub-§2**, as amended by PL 2003, c. 673,
37 Pt. D, §3, is further amended to read:

40 **2. Values.** All property values under subsection 1,
41 paragraphs A and B are as finally determined for federal estate
42 tax purposes, except that for estates of decedents dying after
43 December 31, 2002 and before January 1, 2005 that do not incur a
44 federal estate tax, all property values under subsection 1,
45 paragraphs A and B are as finally determined by the assessor in
46 accordance with the Code as if the estate had incurred a federal
47 estate tax.

