

# MAINE STATE LEGISLATURE

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3  
B018

L.D. 610

2 DATE: 4/25/05

(Filing No. H-177)

6 TAXATION

8 *Minority*

10 Reproduced and distributed under the direction of the Clerk of  
12 the House.

14 STATE OF MAINE  
16 HOUSE OF REPRESENTATIVES  
18 122ND LEGISLATURE  
20 FIRST SPECIAL SESSION

22 COMMITTEE AMENDMENT "A" to H.P. 443, L.D. 610, Bill, "An  
24 Act To Encourage More Dentists To Practice in the State"

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

32 'Sec. 1. 36 MRSA §5122, sub-§2, ¶Q, as corrected by RR 2003,  
34 c. 1, §38, is amended to read:

36 Q. A fraction of any amount previously added back by the  
38 taxpayer to federal adjusted gross income pursuant to  
40 subsection 1, paragraph N.

42 (1) With respect to property first placed in service  
during taxable years beginning in 2002, the adjustment  
under this paragraph is available for each year during  
the recovery period, beginning 2 years after the  
beginning of the taxable year during which the property  
was first placed in service. The fraction is equal to  
the amount added back under subsection 1, paragraph N  
with respect to the property, divided by the number of  
years in the recovery period minus 2.

**COMMITTEE AMENDMENT**

PL 03

COMMITTEE AMENDMENT "A" to H.P. 443, L.D. 610

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(2) With respect to all other property, for the taxable year immediately following the taxable year during which the property was first placed in service, the fraction allowed by this paragraph is equal to 5% of the amount added back under subsection 1, paragraph N with respect to the property. For each subsequent taxable year during the recovery period, the fraction is equal to 95% of the amount added back under subsection 1, paragraph N with respect to the property, divided by the number of years in the recovery period minus 2.

In the case of property expensed pursuant to Section 179 of the Code, the term "recovery period" means the recovery period that would have been applicable to the property had Section 179 not been applied; and

**Sec. 2. 36 MRSA §5122, sub-§2, ¶T**, as amended by PL 2003, c. 705, §12 and affected by §14, is further amended to read:

T. For income tax years beginning on or after January 1, 2002 and before January 1, 2004, an amount equal to the total premiums spent for long-term care insurance policies certified under Title 24-A, section 5075-A as long as the amount subtracted is reduced by the long-term care premiums claimed as an itemized deduction pursuant to section 5125.

For income tax years beginning on or after January 1, 2004, an amount equal to the total premiums spent for qualified long-term care insurance contracts certified under Title 24-A, section 5075-A, as long as the amount subtracted is reduced by any amount claimed as a deduction for federal income tax purposes in accordance with the Code, Section 162(1) and by the long-term care premiums claimed as an itemized deduction pursuant to section 5125; and

**Sec. 3. 36 MRSA §5122, sub-§2, ¶U** is enacted to read:

U. The amount of loan repayment received on outstanding indebtedness for dental education under Title 20-A, section 12302, subsection 6.

**Sec. 4. Application date.** This Act applies to tax years beginning on or after January 1, 2005.'

COMMITTEE AMENDMENT "A" to H.P. 443, L.D. 610

**SUMMARY**

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This amendment substitutes an income tax deduction for the income tax credit proposed in the bill and adds an application date.

**FISCAL NOTE REQUIRED**  
(See attached)



# 122nd MAINE LEGISLATURE

LD 610

LR 1626(02)

## An Act To Encourage More Dentists To Practice in the State

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	\$725	\$2,409	\$3,461	\$3,634
<b>Revenue</b>				
General Fund	(\$725)	(\$2,409)	(\$3,461)	(\$3,634)
Other Special Revenue Funds	(\$40)	(\$132)	(\$190)	(\$199)

#### Fiscal Detail and Notes

The General Fund revenue loss associated with the dental education income tax deduction is estimated to be \$725 in fiscal year 2005-06 and \$2,409 in fiscal year 2006-07.