

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



123rd MAINE LEGISLATURE

SECOND REGULAR SESSION-2008

Legislative Document

No. 2059

H.P. 1443

House of Representatives, December 21, 2007

An Act To Establish a Wellness Tax Credit

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Clerk of the House on December 19, 2007. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative GILES of Belfast.
Cosponsored by Senator TURNER of Cumberland and
Representatives: COTTA of China, FLOOD of Winthrop, RECTOR of Thomaston,
SAVIELLO of Wilton, STRANG BURGESS of Cumberland, WEBSTER of Freeport,
Senators: BENOIT of Sagadahoc, NUTTING of Androscoggin.

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

2 **Sec. 1. 36 MRSA §5219-BB** is enacted to read:

3 **§5219-BB. Credit for wellness programs**

4 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
5 following terms have the following meanings.

6 A. "Employing unit" has the same meaning as in Title 26, section 1043.

7 B. "Qualified wellness program expenditure" means expenses by an employing unit
8 to develop, institute and maintain a wellness program.

9 C. "Wellness program" means a program instituted by an employing unit that
10 improves employee health, morale and productivity, including, without limitation:

11 (1) Health education programs;

12 (2) Behavioral change programs such as counseling or seminars or classes on
13 nutrition, stress management or smoking cessation;

14 (3) Time during the work day for exercise;

15 (4) Equipping, operating and maintaining a facility owned by the employing unit
16 for use by its employees for exercise;

17 (5) Equipping and registering an athletic team that is composed solely of
18 employees or dependants of employees who are members of the employing unit's
19 health care plan;

20 (6) Membership, either individual or group, to a health club or gym; and

21 (7) Incentive awards to employees who engage in regular physical activity.

22 **2. Credit allowed.** A taxpayer constituting an employing unit is allowed a credit
23 against the tax imposed by this Part for each taxable year beginning on or after January 1,
24 2009 for a qualified wellness program expenditure made on or after January 1, 2009.

25 **3. Record keeping.** An employing unit that makes qualified wellness program
26 expenditures is responsible for recording exercise facility usage or the amount of time
27 employees engage in wellness programs for which the employing unit is claiming an
28 expense.

29 **4. Limit; carry over.** The total credit for each taxpayer under this section is limited
30 to \$100 per employee or \$10,000, whichever is less, per tax year. The credit may not
31 reduce the tax otherwise due under this Part to less than zero. A taxpayer entitled to a
32 credit under this section for any taxable year may carry over the portion, as reduced from
33 year to year, of any unused credit and apply it to the tax liability for any one or more of
34 the next succeeding 5 taxable years.

35 **Sec. 2. Application.** This Act applies to tax years beginning on or after January 1,
36 2009.

1

SUMMARY

2 This bill provides a tax credit to employers for the expense of developing, instituting
3 and maintaining wellness programs for their employees in the amount of \$100 per
4 employee, up to a maximum of \$10,000. A wellness program includes programs for
5 behavior modification, such as smoking cessation programs, equipping and maintaining
6 an exercise facility and providing incentive awards to employees who exercise regularly.