

# MAINE STATE LEGISLATURE

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# 124th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2009

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Legislative Document

No. 590

H.P. 428

House of Representatives, February 17, 2009

### An Act To Establish a Wellness Tax Credit

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Reference to the Committee on Taxation suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative GILES of Belfast.  
Cosponsored by Senator MARRACHÉ of Kennebec and  
Representatives: AUSTIN of Gray, JONES of Mount Vernon, KNAPP of Gorham, KNIGHT  
of Livermore Falls, PERRY of Calais, PRESCOTT of Topsham, STRANG BURGESS of  
Cumberland, Senator: RECTOR of Knox.

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

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

3 §5219-DD. 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. "Employee" means an individual who performs services for an employing unit.

7 B. "Employing unit" has the same meaning as in Title 26, section 1043.

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

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

12 (1) Health education programs;

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

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

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

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

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

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

23 2. Credit allowed. A taxpayer constituting an employing unit with 20 or fewer  
24 employees is allowed a credit against the tax imposed by this Part for each taxable year  
25 beginning on or after January 1, 2009 for a qualified wellness program expenditure made  
26 on or after January 1, 2009.

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

31 4. Limit; carry-over. The total credit for each taxpayer under this section is limited  
32 to \$100 per employee or \$2,000, whichever is less, per tax year. The credit may not  
33 reduce the tax otherwise due under this Part to less than zero. A taxpayer who elects to  
34 take the credit under this section may not also claim the same expenditure as an  
35 adjustment to income. A taxpayer entitled to a credit under this section for any taxable  
36 year may carry over the portion, as reduced from year to year, of any unused credit and  
37 apply it to the tax liability for any one or more of the next succeeding 5 taxable years.

