

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 769

S.P. 296

In Senate, February 26, 2009

An Act To Amend the Laws Governing Income Tax To Allow an Age-based Write-off of Capital Losses

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator RECTOR of Knox.
Cosponsored by Representative MARTIN of Orono and
Senators: McCORMICK of Kennebec, NASS of York, RAYE of Washington, SCHNEIDER
of Penobscot, SHERMAN of Aroostook, SULLIVAN of York, WESTON of Waldo,
Representative: GILES of Belfast.

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

2 **CONCEPT DRAFT**

3 **SUMMARY**

4 This bill is a concept draft pursuant to Joint Rule 208.

5 Under current federal law, an individual is allowed to reduce ordinary income by any
6 capital losses up to the extent of any capital gains or \$3,000, whichever is lower. If the
7 individual has more than \$3,000 in capital losses, the excess may be carried forward to
8 the next tax year.

9 This bill proposes, for Maine income tax purposes, to increase the maximum
10 deduction for capital losses based on the individual's age. The older an individual is, the
11 greater the amount of capital loss that could be taken.