

MAINE STATE LEGISLATURE

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125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 805

H.P. 601

House of Representatives, March 3, 2011

An Act To Decrease the Tax Burden on Maine's Seniors

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

Presented by Representative VOLK of Scarborough.
Cosponsored by Representatives: BENNETT of Kennebunk, BURNS of Alfred, CHASE of Wells, CUSHING of Hampden, HARMON of Palermo, KNIGHT of Livermore Falls, Senator: JACKSON of Aroostook.

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

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

3 **§5219-FF. Senior credit**

4 **1. Senior resident taxpayer.** A resident individual who is 60 years of age or older
5 is allowed a credit against the tax otherwise due under this Part equal to 50% of the
6 amount of tax determined under this Part. This credit may not reduce the tax due under
7 this Part to less than zero.

8 **2. Nonresident taxpayer.** A nonresident individual who is 60 years of age or older
9 is allowed a credit against the tax otherwise due under this Part equal to 50% of the
10 amount of tax determined under this Part multiplied by the ratio of the individual's Maine
11 adjusted gross income, as defined in section 5102, subsection 1-C, paragraph B, to the
12 individual's entire federal adjusted gross income, as modified by section 5122. This credit
13 may not reduce the tax due under this Part to less than zero.

14 **3. Part-year resident taxpayer.** An individual who is 60 years of age or older who
15 files a return as a part-year resident in accordance with section 5224-A is allowed a credit
16 against the tax otherwise due under this Part equal to 50% of the amount of tax
17 determined under this Part. The amount of tax due under this Part for a part-year resident
18 is determined by a fraction, the numerator of which is the individual's Maine adjusted
19 gross income as defined in section 5102, subsection 1-C, paragraph A for that portion of
20 the taxable year during which the individual was a resident plus the individual's Maine
21 adjusted gross income as defined in section 5102, subsection 1-C, paragraph B for that
22 portion of the taxable year during which the individual was a nonresident and the
23 denominator of which is the individual's entire federal adjusted gross income, as modified
24 by section 5122. This credit may not reduce the tax due under this Part to less than zero.

25 **Sec. 2. Application.** This Act applies to tax years beginning on or after January 1,
26 2011.

27 **SUMMARY**

28 This bill provides a 50% income tax credit to taxpayers who are 60 years of age and
29 older.