

MAINE STATE LEGISLATURE

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125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 1137

H.P. 843

House of Representatives, March 16, 2011

An Act To Conform Business Expense Deductions to Federal Law

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script, reading 'Heather J.R. Priest'.

HEATHER J.R. PRIEST
Clerk

Presented by Representative KNIGHT of Livermore Falls.
Cosponsored by Senator TRAHAN of Lincoln and
Representatives: CORNELL du HOUX of Brunswick, COTTA of China, FREDETTE of
Newport, HANLEY of Gardiner, McKANE of Newcastle, PARKER of Veazie, SANDERSON
of Chelsea, Senator: GOODALL of Sagadahoc.

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

2 **Sec. 1. 36 MRSA §5122, sub-§1, ¶N**, as amended by PL 2007, c. 240, Pt. CCC,
3 §2 and affected by §4, is further amended to read:

4 N. With respect to property placed in service during the taxable year, an amount
5 equal to the net increase in depreciation or expensing attributable to:

6 (1) For taxable years beginning on or after January 1, 2002 but prior to January 1,
7 2006, a 30% bonus depreciation deduction claimed by the taxpayer pursuant to
8 Section 101 of the federal Job Creation and Worker Assistance Act of 2002,
9 Public Law 107-147 with respect to property placed in service during the taxable
10 year;

11 (2) For taxable years beginning on or after January 1, 2002 but prior to January 1,
12 2006, a 50% bonus depreciation deduction claimed by the taxpayer pursuant to
13 Section 201 of the federal Jobs and Growth Tax Relief Reconciliation Act of
14 2003, Public Law 108-27 with respect to property placed in service during the
15 taxable year; and

16 (3) For taxable years beginning on or after January 1, 2003 but prior to January 1,
17 2011, the increase in aggregate cost under Section 179 of the Code arising from
18 amendments to the Code applicable to tax years beginning on or after January 1,
19 2003;

20 **SUMMARY**

21 This bill permits businesses to claim business expense deductions for purchases to the
22 same extent as permitted under federal income tax law.