

MAINE STATE LEGISLATURE

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126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 65

H.P. 57

House of Representatives, January 22, 2013

An Act To Reduce the Income Tax on Capital Gains

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative MALABY of Hancock.
Cosponsored by Senator LANGLEY of Hancock and
Representatives: CRAY of Palmyra, DUNPHY of Embden, FITZPATRICK of Houlton,
GIFFORD of Lincoln, LIBBY of Waterboro, LOCKMAN of Amherst, NEWENDYKE of
Litchfield, SIROCKI of Scarborough.

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

2 **Sec. 1. 36 MRSA §5122, sub-§2, ¶MM** is enacted to read:

3 MM. For income tax years beginning on or after January 1, 2013, an amount equal to
4 income derived in that tax year for a capital gain derived from the sale of an asset
5 held for more than one year by the taxpayer.

6 **Sec. 2. 36 MRSA §5204-C** is enacted to read:

7 **§5204-C. Capital gains**

8 For income tax years beginning on or after January 1, 2013, in addition to any other
9 tax imposed by this Part, the tax owed on income derived from capital gains derived from
10 the sale of an asset held by a taxpayer for more than one year is 3%.

11 **SUMMARY**

12 Currently under state law, long-term capital gains are taxed as regular income. This
13 bill taxes income derived from the sale of assets held for more than one year at 3%.