

MAINE STATE LEGISLATURE

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126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 692

H.P. 484

House of Representatives, February 26, 2013

**An Act To Provide Funding for Education by Restoring the 8.5
Percent Income Tax Rate for High-income Taxpayers**

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative MacDONALD of Boothbay.
Cosponsored by Representatives: DAUGHTRY of Brunswick, RUSSELL of Portland.

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

2 **Sec. 1. 20-A MRSA §15752-A** is enacted to read:

3 **§15752-A. State funding for mandated legislative appropriations for kindergarten**
4 **to grade 12 education**

5 By June 30, 2014 and annually thereafter, the State Tax Assessor shall calculate the
6 amount of revenue attributable to the income taxes paid by taxpayers who are taxed at the
7 8.5% rate under Title 36, section 5111, subsections 1-C, 2-C and 3-C and shall certify to
8 the State Controller the amount of revenue attributable to the income tax paid by those
9 taxpayers. The State Controller shall credit the amount of revenue attributable to the
10 income tax paid by taxpayers who are taxed at the 8.5% rate under Title 36, section 5111,
11 subsections 1-C, 2-C and 3-C to the department. That amount must be used to
12 supplement and not to supplant funding for essential programs and services for
13 kindergarten to grade 12 education under chapter 606-B.

14 **Sec. 2. 36 MRSA §5111, sub-§1-C**, as enacted by PL 2011, c. 380, Pt. N, §2 and
15 affected by §19, is amended to read:

16 **1-C. Single individuals and married persons filing separate returns; tax years**
17 **beginning 2013.** For tax years beginning on or after January 1, 2013, for single
18 individuals and married persons filing separate returns:

19 If Maine Taxable income is:	The tax is:
20 At least \$5,000 but less than \$19,950	6.5% of the excess over \$5,000
21 <u>\$19,950 or more but less than \$137,500</u>	\$972 plus 7.95% of the excess over
	\$19,950
23 <u>\$137,500 or more</u>	<u>\$10,317 plus 8.5% of the excess over</u>
24	<u>\$137,500</u>

25 **Sec. 3. 36 MRSA §5111, sub-§2-C**, as enacted by PL 2011, c. 380, Pt. N, §4 and
26 affected by §19, is amended to read:

27 **2-C. Heads of households; tax years beginning 2013.** For tax years beginning on
28 or after January 1, 2013, for unmarried individuals or legally separated individuals who
29 qualify as heads of households:

30 If Maine Taxable income is:	The tax is:
31 At least \$7,500 but less than \$29,900	6.5% of the excess over \$7,500
32 <u>\$29,900 or more but less than \$206,250</u>	\$1,456 plus 7.95% of the excess over
33	\$29,900
34 <u>\$206,250 or more</u>	<u>\$15,548 plus 8.5% of the excess over</u>
35	<u>\$206,250</u>

36 **Sec. 4. 36 MRSA §5111, sub-§3-C**, as enacted by PL 2011, c. 380, Pt. N, §6 and
37 affected by §19, is amended to read:

