

MAINE STATE LEGISLATURE

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3116
ROES

L.D. 1146

Date: 6/5/15

(Filing No. H-325)

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TAXATION

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
127TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 784, L.D. 1146, Bill, "An Act To Increase Investment in Maine"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

'Sec. 1. 36 MRSA §5219-NN is enacted to read:

§5219-NN. Real property investment credit

For tax years beginning on or after January 1, 2015, a taxpayer with capital gains realized during the taxable year from the sale of real property in the State held by the taxpayer for business purposes for more than one year, to the extent the capital gains are included in federal adjusted gross income or federal taxable income, is allowed a credit against the taxes imposed under this Part equal to 5% of the capital gains.

Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF
Revenue Services, Bureau of 0002

Initiative: Provides one-time funding for computer programming costs to make changes to tax forms.

26	GENERAL FUND	2015-16	2016-17
27	All Other	\$33,000	\$0
28			
29	GENERAL FUND TOTAL	\$33,000	\$0
30			

COMMITTEE AMENDMENT

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COMMITTEE AMENDMENT "A" to H.P. 784, L.D. 1146

SUMMARY

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This amendment replaces the special income tax rate provided in the bill for certain capital gains derived from the sale of real property held for business purposes for more than one year with an income tax credit for those gains realized during the taxable year attributable to real property in the State. The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)

COMMITTEE AMENDMENT



127th MAINE LEGISLATURE

LD 1146

LR 338(02)

An Act To Increase Investment in Maine

Fiscal Note for Bill as Amended by Committee Amendment *A(H-325)*

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
Net Cost (Savings)				
General Fund	\$4,545,500	\$4,256,000	\$4,384,250	\$4,547,650
Appropriations/Allocations				
General Fund	\$33,000	\$0	\$0	\$0
Revenue				
General Fund	(\$4,512,500)	(\$4,256,000)	(\$4,384,250)	(\$4,547,650)
Other Special Revenue Funds	(\$237,500)	(\$224,000)	(\$230,750)	(\$239,350)

Fiscal Detail and Notes

This legislation creates an income tax credit for certain capital gains and would result in a reduction in revenue of \$4,512,500 in fiscal year 2015-16 and \$4,256,000 in fiscal year 2016-17 and a reduction in Local Government Fund revenue of \$237,500 in fiscal year 2015-16 and \$224,000 in 2016-17. The bill includes a one-time General Fund appropriation to the Department of Administrative and Financial Services for computer programming costs to add an income tax credit line to the individual, corporate and fiduciary income tax forms.