

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36

Date: 2-9-16

(Filing No. H-515)

Reproduced and distributed under the direction of the Clerk of the House.

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

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "B" to S.P. 616, L.D. 1564, Bill, "An Act To Update References to the United States Internal Revenue Code of 1986 Contained in the Maine Revised Statutes"

Amend the amendment by inserting after the first indented paragraph the following:

'Sec. 2. 36 MRSA §5122, sub-§1, ¶Q, as enacted by PL 2003, c. 20, Pt. II, §2, is repealed.'

Amend the amendment in section 3 in paragraph JJ in the last paragraph in the last line (page 2, line 17 in amendment) by inserting after the following: "5125;" the following: 'and'

Amend the amendment by striking out all of section 4 and inserting the following:

'Sec. 4. 36 MRSA §5122, sub-§1, ¶KK is enacted to read:

KK. For taxable years beginning on or after January 1, 2015 but before January 1, 2020, an amount equal to the net increase in depreciation attributable to the depreciation deduction claimed by the taxpayer for the taxable year under the Code, Section 168(k).'

Amend the amendment in section 6 in paragraph NN in the last paragraph in the last line (page 3, line 34 in amendment) by inserting after the following: "property;" the following: 'and'

Amend the amendment by striking out all of section 7 and inserting the following:

'Sec. 7. 36 MRSA §5122, sub-§2, ¶OO is enacted to read:

OO. For taxable years beginning on or after January 1, 2016, an amount equal to the net increase in the depreciation deduction allowable under the Code, Sections 167 and 168 that would have been applicable to that property had the depreciation deduction under the Code, Section 168(k) not been claimed with respect to such property placed in service during the applicable taxable year for which an addition was required under subsection 1, paragraph KK for the applicable taxable year.

Upon the taxable disposition of property to which this paragraph applies, the amount of any gain or loss includable in federal adjusted gross income must be adjusted for Maine income tax purposes by an amount equal to the difference between the

1 addition modification for such property under subsection 1, paragraph KK and the  
2 subtraction modifications allowed pursuant to this paragraph.

3 The total amount of subtraction claimed under this paragraph for all tax years may  
4 not exceed the addition modification under subsection 1, paragraph KK for the same  
5 property.'

6 Amend the amendment by striking out all of sections 8 to 11.

7 Amend the amendment in section 13 in paragraph BB in subparagraph (2) in the last  
8 line (page 5, line 26 in amendment) by inserting after the following: "5219-MM;" the  
9 following: 'and'

10 Amend the amendment by striking out all of section 14 and inserting the following:

11 **'Sec. 14. 36 MRSA §5200-A, sub-§1, ¶CC** is enacted to read:

12 CC. For taxable years beginning on or after January 1, 2015 but before January 1,  
13 2020, an amount equal to the net increase in depreciation attributable to the  
14 depreciation deduction claimed by the taxpayer for the taxable year under the Code,  
15 Section 168(k).'

16 Amend the amendment in section 16 in paragraph Z in the last paragraph in the last  
17 line (page 6, line 40 in amendment) by inserting after the following: "property;" the  
18 following: 'and'

19 Amend the amendment by striking out all of section 17 and inserting the following:

20 **'Sec. 17. 36 MRSA §5200-A, sub-§2, ¶AA** is enacted to read:

21 AA. For taxable years beginning on or after January 1, 2016, an amount equal to the  
22 net increase in the depreciation deduction allowable under the Code, Sections 167  
23 and 168 that would have been applicable to that property had the depreciation  
24 deduction under the Code, Section 168(k) not been claimed with respect to such  
25 property placed in service during the applicable taxable year for which an addition  
26 was required under subsection 1, paragraph CC for the applicable taxable year.

27 Upon the taxable disposition of property to which this paragraph applies, the amount  
28 of any gain or loss includable in federal taxable income must be adjusted for Maine  
29 income tax purposes by an amount equal to the difference between the addition  
30 modification for such property under subsection 1, paragraph CC and the subtraction  
31 modifications allowed pursuant to this paragraph.

32 The total amount of subtraction claimed under this paragraph for all tax years may  
33 not exceed the addition modification under subsection 1, paragraph CC for the same  
34 property.'

35 Amend the amendment by striking out all of sections 18 and 19.

36 Amend the amendment in section 20 in the first paragraph in the last line by inserting  
37 after the following: "2015." the following: "That section of this Act that repeals the Maine  
38 Revised Statutes, Title 36, section 5122, subsection 1, paragraph Q applies to tax years  
39 beginning on or after January 1, 2016.'

# HOUSE AMENDMENT

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "B" to S.P. 616, L.D. 1564

1 Amend the amendment by relettering or renumbering any nonconsecutive Part letter  
2 or section number to read consecutively.

3 **SUMMARY**

4 This amendment removes from the committee amendment provisions limiting  
5 conformity to tax years beginning in 2015 except that nonconformity with federal bonus  
6 depreciation remains permanently and the Maine capital investment credit is removed,  
7 beginning with tax years beginning in 2015.

8 **SPONSORED BY:**   
9 **(Representative MELARAGNO)**

10 **TOWN: Auburn**

**FISCAL NOTE REQUIRED**  
**(See attached)**



# 127th MAINE LEGISLATURE

LD 1564

LR 2444(06)

## An Act To Update References to the United States Internal Revenue Code of 1986 Contained in the Maine Revised Statutes

Fiscal Note for House Amendment "A" to Committee Amendment "B"

Sponsor: Rep. Melaragno of Auburn

Fiscal Note Required: Yes

### Fiscal Note

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
<b>Net Cost (Savings)</b>				
General Fund	(\$9,456,160)	(\$782,640)	\$953,580	\$664,620
<b>Revenue</b>				
General Fund	\$9,456,160	\$782,640	(\$953,580)	(\$664,620)
Other Special Revenue Funds	\$192,840	\$15,960	(\$19,420)	(\$13,540)

#### Fiscal Detail and Notes

This amendment removes from the committee amendment provisions enacting the Maine capital investment credit. This will increase General Fund revenue by \$9,456,160 in fiscal year 2015-16 and \$782,640 in fiscal year 2016-17 and increase Local Government Fund revenue by \$192,840 in fiscal year 2015-16 and \$15,960 in fiscal year 2016-17.