

MAINE STATE LEGISLATURE

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SME
ROFS

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L.D. 1247

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Date: 5/17/17

(Filing No. H- 194)

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TAXATION

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STATE OF MAINE

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HOUSE OF REPRESENTATIVES

7

128TH LEGISLATURE

8

FIRST REGULAR SESSION

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COMMITTEE AMENDMENT "A" to H.P. 870, L.D. 1247, Bill, "An Act To Repeal the Income Tax on Pick-up Contributions Paid to the Maine Public Employees Retirement System and To Clarify the Taxation of Pick-up Contributions Distributed in the Form of a Rollover"

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Amend the bill in section 2 in paragraph E in the 4th line (page 1, line 9 in L.D.) by striking out the following: "2017" and inserting the following: '2018'

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Amend the bill in section 3 in the 2nd line (page 1, line 17 in L.D.) by striking out the following: "2017" and inserting the following: '2018'

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SUMMARY

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This amendment provides that the changes proposed in the bill apply to tax years beginning on or after January 1, 2018 rather than on or after January 1, 2017.

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FISCAL NOTE REQUIRED
(See attached)

COMMITTEE AMENDMENT



128th MAINE LEGISLATURE

LD 1247

LR 728(02)

An Act To Repeal the Income Tax on Pick-up Contributions Paid to the Maine Public Employees Retirement System and To Clarify the Taxation of Pick-up Contributions Distributed in the Form of a Rollover

Fiscal Note for Bill as Amended by Committee Amendment

Committee: Taxation

Fiscal Note Required: Yes

A (H-194)

Fiscal Note

	FY 2017-18	FY 2018-19	Projections FY 2019-20	Projections FY 2020-21
Net Cost (Savings)				
General Fund	\$3,329,000	\$11,372,000	\$11,528,000	\$11,922,000
Revenue				
General Fund	(\$3,329,000)	(\$11,372,000)	(\$11,528,000)	(\$11,922,000)
Other Special Revenue Funds	(\$133,000)	(\$365,000)	(\$745,000)	(\$770,000)

Fiscal Detail and Notes

This bill repeals the individual income tax addition modification for state contributions to the retirement system on behalf of the taxpayer and makes changes to the subtraction modification for pick-up contributions distributed to the taxpayer in the form of a rollover. It would result in a loss of General Fund revenue of \$3,329,000 in fiscal year 2017-18 and \$11,372,000 in fiscal year 2018-19 and a loss of Local Government Fund revenue of \$68,000 in fiscal year 2017-18 and \$232,000 in fiscal year 2018-19. It would also reduce revenue to the Fund to Advance Public Kindergarten to Grade 12 Education by \$65,000 in fiscal year 2017-18 and by \$133,000 in fiscal year 2018-19.