

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 23

S.P. 31

In Senate, January 13, 2021

An Act To Reinstate and Increase the Income Tax Deduction for Contributions to Education Savings Plans

Submitted by the Finance Authority of Maine pursuant to Joint Rule 204.
Received by the Secretary of the Senate on January 11, 2021. Referred to the Committee
on Taxation pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator POULIOT of Kennebec.

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

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

3 UU. For taxable years beginning on or after January 1, 2021, the portion of
4 contributions to a qualified tuition program established under Section 529 of the Code
5 up to \$1,000 per designated beneficiary. This deduction may not be claimed when
6 federal adjusted gross income exceeds \$100,000 for a single individual and married
7 persons filing separate returns or \$200,000 for individuals filing married joint returns
8 and heads of household.

9 **SUMMARY**

10 This bill reinstates and increases the income tax deduction for contributions to so-called
11 Section 529 education savings plans, providing a deduction up to \$1,000 per designated
12 beneficiary. A deduction up to \$250 was in effect from 2007 to 2015.