

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 570

H.P. 415

House of Representatives, February 24, 2021

An Act To Provide for Fairness in the Taxation of Extraordinary and Unearned Income by Establishing a 3 Percent Surcharge on Net Capital Gains and Dividends Income over \$250,000 for Taxpayers Filing Single or Married Separate Returns and over \$500,000 for Taxpayers Filing Joint Returns

Received by the Clerk of the House on February 22, 2021. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative BERRY of Bowdoinham.
Cosponsored by Senator CHIPMAN of Cumberland and
Representatives: CARDONE of Bangor, COLLINGS of Portland, DUNPHY of Old Town,
KESSLER of South Portland, TALBOT ROSS of Portland, Senator: SANBORN of
Cumberland.

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

2 **Sec. 1. 36 MRSA §5111, sub-§7** is enacted to read:

3 **7. Tax surcharge; net capital gains and dividends.** For tax years beginning on or
4 after January 1, 2021, in addition to any other tax imposed by this chapter, for taxpayers
5 whose Maine taxable income exceeds the threshold amount, a tax at the rate of 3% is
6 imposed on that portion of the taxpayer's Maine taxable income equal to the lesser of:

7 A. The taxpayer's Maine taxable income from net capital gains and dividends; and

8 B. The taxpayer's Maine taxable income that exceeds the threshold amount.

9 For the purposes of this subsection, "threshold amount" means: for taxpayers filing as
10 single individuals or married persons filing separate returns, \$250,000; for taxpayers filing
11 as heads of households, \$375,000; and for taxpayers filing married joint returns or as
12 surviving spouses, \$500,000.

13 **SUMMARY**

14 This bill imposes an income tax surcharge on the portion of a taxpayer's taxable income
15 that exceeds the lesser of the taxpayer's taxable income from net capital gains and dividends
16 and the amount by which the taxpayer's taxable income exceeds \$250,000 for persons filing
17 returns as single individuals or married individuals filing separately, \$375,000 for persons
18 filing returns as heads of households or \$500,000 for persons filing married joint returns or
19 as surviving spouses.