

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST SPECIAL SESSION-2021

Legislative Document

No. 1369

H.P. 1003

House of Representatives, April 7, 2021

**An Act To Provide Stimulus for Economic Recovery by Enacting a 5
Percent Flat Income Tax**

Received by the Clerk of the House on April 5, 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 "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative ANDREWS of Paris.

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

2 **Sec. 1. 36 MRSA §5111, sub-§1-F**, as enacted by PL 2015, c. 267, Pt. DD, §3, is
3 amended to read:

4 **1-F. Single individuals and married persons filing separate returns; tax years**
5 **beginning from 2017 to 2020.** For tax years beginning on or after January 1, 2017 but not
6 later than December 31, 2020, for single individuals and married persons filing separate
7 returns:

8 If Maine taxable income is:	The tax is:
9 Less than \$21,050	5.8% of the Maine taxable income
10 At least \$21,050 but less than \$50,000	\$1,221 plus 6.75% of the excess over
11	\$21,050
12 \$50,000 or more	\$3,175 plus 7.15% of the excess over
13	\$50,000

14 **Sec. 2. 36 MRSA §5111, sub-§2-F**, as enacted by PL 2015, c. 267, Pt. DD, §5, is
15 amended to read:

16 **2-F. Heads of households; tax years beginning from 2017 to 2020.** For tax years
17 beginning on or after January 1, 2017 but not later than December 31, 2020, for unmarried
18 individuals or legally separated individuals who qualify as heads of households:

19 If Maine taxable income is:	The tax is:
20 Less than \$31,550	5.8% of the Maine taxable income
21 At least \$31,550 but less than \$75,000	\$1,830 plus 6.75% of the excess over
22	\$31,550
23 \$75,000 or more	\$4,763 plus 7.15% of the excess over
24	\$75,000

25 **Sec. 3. 36 MRSA §5111, sub-§3-F**, as enacted by PL 2015, c. 267, Pt. DD, §7, is
26 amended to read:

27 **3-F. Individuals filing married joint returns or surviving spouses; tax years**
28 **beginning from 2017 to 2020.** For tax years beginning on or after January 1, 2017 but not
29 later than December 31, 2020, for individuals filing married joint returns or surviving
30 spouses permitted to file a joint return:

31 If Maine taxable income is:	The tax is:
32 Less than \$42,100	5.8% of the Maine taxable income
33 At least \$42,100 but less than \$100,000	\$2,442 plus 6.75% of the excess over
34	\$42,100
35 \$100,000 or more	\$6,350 plus 7.15% of the excess over
36	\$100,000

37 **Sec. 4. 36 MRSA §5111, sub-§7** is enacted to read:

38 **7. Flat rate of 5%.** For tax years beginning on or after January 1, 2021, a tax is
39 imposed on the Maine taxable income of every resident individual of this State. The rate
40 of the tax is 5%.

SUMMARY

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This bill, for tax years beginning on or after January 1, 2021, replaces the current income tax structure for individual income taxes with a flat 5% tax imposed on all individual Maine residents.