



130th MAINE LEGISLATURE

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Legislative Document

No. 1500

H.P. 1110

House of Representatives, April 14, 2021

An Act To Bring Equity to Maine's Tax Law by Adjusting Certain Individual Income Tax Rates

Received by the Clerk of the House on April 12, 2021. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative LOOKNER of Portland.

1	Be it enacted by the People of the State o	f 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		rs beginning on or after January 1, 2017 but not	
6 7	later than December 31, 2020, for single i returns:	ndividuals and married persons filing separate	
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-§1-G is enacted to read:		
15	1-G. Single individuals and married persons filing separate returns; tax years		
16	beginning 2021. For tax years beginning on or after January 1, 2021, for single individuals		
17	and married persons filing separate returns:		
18	If Maine taxable income is:	The tax is:	
19	Less than \$21,850	5.8% of the Maine taxable income	
20	At least \$21,850 but less than \$51,700	\$1,267 plus 6.75% of the excess over	
21		<u>\$21,850</u>	
22	At least \$51,700 but less than \$200,000	\$3,282 plus 8.75% of the excess over	
23		<u>\$51,700</u>	
24 25	<u>\$200,000 or more</u>	<u>\$16,258 plus 12.4% of the excess over</u> \$200,000	
26			
20	Sec. 3. 36 MRSA §5111, sub-§2-F, as enacted by PL 2015, c. 267, Pt. DD, §5, is amended to read:		
28	2-F. Heads of households; tax years beginning from 2017 to 2020. For tax years		
29	beginning on or after January 1, 2017 but not later than December 31, 2020, for unmarried		
30	individuals or legally separated individuals who qualify as heads of households:		
31	If Maine taxable income is:	The tax is:	
32	Less than \$31,550	5.8% of the Maine taxable income	
33	At least \$31,550 but less than \$75,000	\$1,830 plus 6.75% of the excess over	
34		\$31,550	
35	\$75,000 or more	\$4,763 plus 7.15% of the excess over	
36		\$75,000	
37	Sec. 4. 36 MRSA §5111, sub-§2-G is enacted to read:		
38	2-G. Heads of households; tax years beginning 2021. For tax years beginning on or		
39	after January 1, 2021, for unmarried individuals or legally separated individuals who		
40	qualify as heads of households:		
41	If Maine taxable income is:	The tax is:	
42	Less than \$32,750	5.8% of the Maine taxable income	
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1 2	At least \$32,750 but less than \$77,550	\$1,900 plus 6.75% of the excess over			
2 3 4	At least \$77,550 but less than \$300,000	<u>\$32,750</u> <u>\$4,924 plus 8.75% of the excess over</u> \$77,550			
5 6	<u>\$300,000 or more</u>	\$24,388 plus 12.4% of the excess over \$300,000			
7 8	Sec. 5. 36 MRSA §5111, sub-§3-F amended to read:	F, as enacted by PL 2015, c. 267, Pt. DD, §7, is			
9 10 11 12	3-F. Individuals filing married joint returns or surviving spouses; tax years beginning from 2017 to 2020. For tax years beginning on or after January 1, 2017 but not later than December 31, 2020, for individuals filing married joint returns or surviving spouses permitted to file a joint return:				
13 14 15 16	If Maine taxable income is: Less than \$42,100 At least \$42,100 but less than \$100,000	The tax is: 5.8% of the Maine taxable income \$2,442 plus 6.75% of the excess over \$42,100			
17 18	\$100,000 or more	\$6,350 plus 7.15% of the excess over \$100,000			
19	9 Sec. 6. 36 MRSA §5111, sub-§3-G is enacted to read:				
20 21 22	3-G. Individuals filing married joint returns or surviving spouses; tax years beginning 2021. For tax years beginning on or after January 1, 2021, for individuals filing married joint returns or surviving spouses permitted to file a joint return:				
23 24 25 26	If Maine taxable income is: Less than \$43,700 At least \$43,700 but less than \$103,400	The tax is: 5.8% of the Maine taxable income \$2,535 plus 6.75% of the excess over \$43,700			
27 28 29	At least \$103,400 but less than \$400,000 \$400,000 or more	\$6,564 plus 8.75% of the excess over \$103,400 \$32,517 plus 12.4% of the excess over			
30 31	SUM	<u>\$400,000</u> IMARY			
32 33 34 35	This bill changes the individual income tax brackets to provide 4 brackets rather than 3. The bill adds a new bracket of 12.4% on taxable income exceeding \$200,000 for single individuals and married persons filing separately, \$300,000 for heads of households and \$400,000 for individuals filing married joint returns and surviving spouses.				