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Date: (Filing No. H-)

TAXATION

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
126TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 57, L.D. 65, Bill, “An Act To Reduce the Income Tax on Capital Gains”

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

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

MM. For income tax years beginning on or after January 1, 2013, 50% of the amount of net long-term capital gains included in federal adjusted gross income.

Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF
Revenue Services, Bureau of 0002**

Initiative: Provides a one-time General Fund appropriation in fiscal year 2013-14 to the Bureau of Revenue Services for programming changes to address the modification to income tax forms.

GENERAL FUND	2013-14	2014-15
All Other	\$22,000	\$0
GENERAL FUND TOTAL	<u>\$22,000</u>	<u>\$0</u>

COMMITTEE AMENDMENT

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SUMMARY

This amendment, which is the minority report of the committee, exempts from Maine individual income tax 50% of net long-term capital gains subject to federal income tax for the taxable year. The bill created a separate capital gains income tax rate.

The amendment also adds an appropriations and allocations section to the bill.

FISCAL NOTE REQUIRED

(See attached)