

Shaded LDs have been voted on by
the Committee

PH 5/3/2023

TAXATION COMMITTEE
131st LEGISLATURE
1st REG SESSION
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LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT ¹	
								FY24	FY25
1231	1161	5/3		Carmichael	An Act to Bring Fairness in Income Taxes to Maine Families by Adjusting the Tax Brackets	CONCEPT DRAFT: This bill is a concept draft pursuant to Joint Rule 208. This bill would <u>change the income tax brackets</u> for imposition of the individual Maine income tax but <u>retain the same tax rates</u> .			
1434	1546	5/3		Libby	An Act to Abolish the Maine Income Tax and Establish a Zerobased Budget	This bill <u>eliminates the Maine income tax</u> beginning January 1, 2026. It requires <u>DAFS to review provisions of law that refer to income tax and submit a report</u> , including suggested legislation, to the Second Regular Session of the 131st Legislature <u>identifying necessary changes to implement the elimination</u> . The bill also requires <u>the development of a new budgeting system in which agencies would be subject to zero-based budgeting every 8 years and in the interim years be subject to review and alternative budget requirements</u> .			
1638	1576	5/3		Brakey	An Act to Lower the State's Individual Income Tax	This bill <u>decreases the individual income tax rates</u> imposed on individual income tax brackets as follows: 1. For <u>tax years 2023 and 2024</u> , the tax rates are decreased from 5.8%, 6.75% and 7.15% to 5.2%, 6.3% and 7.05%, respectively; and 2. <u>Beginning with tax year 2025</u> , the rates are decreased to 5%, 6% and 7%.			

¹ . Numbers may represent preliminary estimates and are subject to change. For more detail, please see fiscal note documents in LD file.

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT ¹	
								FY24	FY25
1651	1080	5/3		Arata	An Act to Reduce the State Income Tax	<p>CONCEPT DRAFT:</p> <p>This bill is a concept draft pursuant to Joint Rule 208. This bill <u>would reduce the rates of state tax imposed on individual and corporate income.</u></p>			
1671	952	5/3		Ducharme	An Act to Reduce the Income Tax to 4.5 Percent on the Lowest Tax Bracket and Remove Low-income Families from Taxation	<p>This bill <u>decreases the rate of income tax imposed on the lowest bracket</u> of individual income for single individuals and married persons filing separate returns, heads of households and persons filing married joint returns from 5.8% to 4.5%. <u>Other brackets remain the same as under current law.</u></p> <p>The decreased rate <u>applies to tax years beginning on or after January 1, 2023.</u></p>			
1743	1009	5/3		Andrews	An Act to Eliminate the Personal Property Tax	<p>This bill:</p> <ol style="list-style-type: none"> 1. <u>eliminates the imposition of taxes on personal property</u>, except for excise taxes and sales and use taxes. 2. Due to the elimination of personal property taxation, this bill <u>also eliminates BETR and BETE.</u> 3. The legislation applies to <u>property tax years beginning on or after April 1, 2024.</u> 			

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