**An Act To Reinstate and Increase the Income Tax Deduction for Contributions to Education Savings Plans**

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

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

UU. For taxable years beginning on or after January 1, 2021, the portion of contributions to a qualified tuition program established under Section 529 of the Code up to $1,000 per designated beneficiary. This deduction may not be claimed when federal adjusted gross income exceeds $100,000 for a single individual and married persons filing separate returns or $200,000 for individuals filing married joint returns and heads of household.

**SUMMARY**

This bill reinstates and increases the income tax deduction for contributions to so-called Section 529 education savings plans, providing a deduction up to $1,000 per designated beneficiary. A deduction up to $250 was in effect from 2007 to 2015.