



125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 705

H.P. 536

House of Representatives, February 23, 2011

An Act To Reduce the Income Tax for Low-income Families

Received by the Clerk of the House on February 18, 2011. 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 "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

Presented by Representative CHIPMAN of Portland.

Cosponsored by Representatives: BERRY of Bowdoinham, GOODE of Bangor, HARLOW of Portland, HARMON of Palermo, KNIGHT of Livermore Falls, VALENTINO of Saco.

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

2 **Sec. 1. 36 MRSA §5219-N, sub-§1**, as amended by PL 2003, c. 390, §48, is
3 repealed and the following enacted in its place:

4 **1. Generally.** Except as provided in subsection 2, the following individuals are
5 allowed a credit equal to the tax otherwise imposed on those individuals by this Part:

6 A. An individual whose Maine taxable income determined as if the individual were a
7 resident individual for the entire year is \$2,000 or less; and

8 B. A resident individual whose federal adjusted gross income is \$15,000 or less.

9 In no case may this credit reduce the Maine income tax to less than zero.

10 **Sec. 2. Application.** This Act applies to tax years beginning on or after January 1,
11 2011.

12 **SUMMARY**

13 This bill provides a credit for an individual who is a resident of Maine and whose
14 federal adjusted gross income is \$15,000 or less for the entire year, reducing the
15 individual's income tax liability to zero.