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Date: (Filing No. H- )

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
125TH LEGISLATURE  
SECOND REGULAR SESSION**

HOUSE AMENDMENT “ ” to COMMITTEE AMENDMENT “A” to S.P. 600, L.D. 1746, Bill, “An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2012 and June 30, 2013”

Amend the amendment by inserting after Part HH the following:

**'PART II**

**Sec. II-1. Appropriations and allocations.** The following appropriations and allocations are made.

**HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)**

**FHM - Bureau of Health 0953**

Initiative: Restores funding for the Fund for a Healthy Maine FHM - Bureau of Health program, Community School Grant account.

<b>FUND FOR A HEALTHY MAINE</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	\$2,764,945
<b>FUND FOR A HEALTHY MAINE TOTAL</b>	<hr/> \$0	<hr/> \$2,764,945

**FHM - Bureau of Health 0953**

Initiative: Restores funding for the Fund for a Healthy Maine FHM - Bureau of Health program, Oral Health account.

<b>FUND FOR A HEALTHY MAINE</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	\$300,000
<b>FUND FOR A HEALTHY MAINE TOTAL</b>	<hr/> \$0	<hr/> \$300,000

**HOUSE AMENDMENT**

1 **FHM - Bureau of Health 0953**

2 Initiative: Restores funding for the Fund for a Healthy Maine FHM - Bureau of Health  
3 program, Home Visits account.

4	<b>FUND FOR A HEALTHY MAINE</b>	<b>2011-12</b>	<b>2012-13</b>
5	All Other	\$0	\$2,653,383
6			
7	<b>FUND FOR A HEALTHY MAINE TOTAL</b>	<b>\$0</b>	<b>\$2,653,383</b>

8 **FHM - Family Planning 0956**

9 Initiative: Restores funding for the Fund for a Healthy Maine FHM - Family Planning  
10 program.

11	<b>FUND FOR A HEALTHY MAINE</b>	<b>2011-12</b>	<b>2012-13</b>
12	All Other	\$0	\$401,430
13			
14	<b>FUND FOR A HEALTHY MAINE TOTAL</b>	<b>\$0</b>	<b>\$401,430</b>

15 **FHM - Medical Care 0960**

16 Initiative: Notwithstanding any other provision of law, adjusts funding by increasing  
17 funding in the Medical Care - Payments to Providers program and decreasing funding in  
18 the FHM - Medical Care program to reflect a redistribution of funding within the Fund  
19 for a Healthy Maine.

20	<b>FUND FOR A HEALTHY MAINE</b>	<b>2011-12</b>	<b>2012-13</b>
21	All Other	\$0	(\$8,787,653)
22			
23	<b>FUND FOR A HEALTHY MAINE TOTAL</b>	<b>\$0</b>	<b>(\$8,787,653)</b>

24 **FHM - Purchased Social Services 0961**

25 Initiative: Restores funding for child care services in the Fund for a Healthy Maine FHM  
26 - Purchased Social Services program.

27	<b>FUND FOR A HEALTHY MAINE</b>	<b>2011-12</b>	<b>2012-13</b>
28	All Other	\$0	\$1,971,118
29			
30	<b>FUND FOR A HEALTHY MAINE TOTAL</b>	<b>\$0</b>	<b>\$1,971,118</b>

31 **Medical Care - Payments to Providers 0147**

32 Initiative: Notwithstanding any other provision of law, adjusts funding by increasing  
33 funding in the Medical Care - Payments to Providers program and decreasing funding in

1 the FHM - Medical Care program to reflect a redistribution of funding within the Fund  
 2 for a Healthy Maine.

3	<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
4	All Other	\$0	\$8,787,653
5			
6	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$8,787,653</u>

7	<b>HEALTH AND HUMAN SERVICES,</b>		
8	<b>DEPARTMENT OF (FORMERLY DHS)</b>		
9	<b>DEPARTMENT TOTALS</b>	<b>2011-12</b>	<b>2012-13</b>
10			
11	GENERAL FUND	\$0	\$8,787,653
12	FUND FOR A HEALTHY MAINE	\$0	(\$696,777)
13			
14	DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$8,090,876</u>

15 **PART JJ**

16 **Sec. JJ-1. 36 MRSA §5117** is enacted to read:

17 **§5117. Tax equalization**

18 For tax years beginning on or after January 1, 2012, a tax equalization payment is  
 19 imposed on every resident individual who is determined, solely on the basis of expanded  
 20 income and with respect to the most recent tax incidence analysis report filed with the  
 21 Legislature under section 200, to fall within the top 1% of Maine resident individual  
 22 taxpayers.

23 **1. Definitions.** As used in this section, unless the context otherwise indicates, the  
 24 following terms have the following meanings.

25 A. "Expanded income" means the income of the taxpayer determined pursuant to  
 26 section 6201, subsection 9.

27 B. "State and local tax burden" means the average effective tax rate of all state and  
 28 local taxes paid by all individual taxpayers in a class of taxpayers.

29 C. "Tax equalization gap" means the difference between the state and local tax  
 30 burden for the top 1% of taxpayers and the state and local tax burden for the bottom  
 31 99% of taxpayers based on expanded income as identified in the most recent tax  
 32 incidence analysis report filed with the Legislature under section 200.

33 **2. Partial tax equalization rate.** By September 15, 2012 and annually thereafter,  
 34 the State Tax Assessor shall calculate the tax equalization gap. The partial tax  
 35 equalization rate is the lesser of the tax equalization gap and the rate specified in this  
 36 subsection and may not be less than zero. The partial tax equalization rate specified in  
 37 this subsection applies to the tax years that begin during the calendar year during which

1 the rate is calculated. For tax years beginning on or after January 1, 2012, the partial tax  
2 equalization rate is .176%.

3 **3. Tax equalization payment amount.** The tax equalization payment amount under  
4 this section for any taxable year is equal to the partial tax equalization rate for that taxable  
5 year determined in accordance with subsection 2 multiplied by the expanded income of  
6 the taxpayer for the taxable year. For the purposes of this subsection, the expanded  
7 income of the taxpayer is the total expanded income for the income tax filing unit  
8 regardless of income tax filing status.

9 **4. Payment; enforcement.** The State Tax Assessor shall provide for the reporting  
10 and payment of the tax equalization payment on individual income tax forms. The tax  
11 equalization payment is not income tax for the purposes of this Part. The provisions of  
12 this Title applying to the collection and enforcement of income taxes apply to the  
13 collection and enforcement of the tax equalization payment except that an obligation to  
14 pay estimated taxes under section 5228 does not apply with regard to the tax equalization  
15 payment. Income tax credits available under chapter 822 do not apply with regard to the  
16 tax equalization payment.

17 **5. Rules.** The State Tax Assessor may adopt rules, which are routine technical rules  
18 pursuant to Title 5, chapter 375, subchapter 2-A, to implement this section.'

19 Amend the amendment by relettering or renumbering any nonconsecutive Part letter  
20 or section number to read consecutively.

21 **SUMMARY**

22 This amendment restores funding for certain cuts to services funded by the Fund for a  
23 Healthy Maine including: oral health funding; community school grants; family planning;  
24 home health visits; and child care services. The amendment provides funding for the  
25 restoration of services through the establishment of a tax equalization payment imposed  
26 on persons whose state and local tax burden is in the top 1% of all taxpayers.

27 **FISCAL NOTE REQUIRED**

28 **(See attached)**

29 SPONSORED BY: \_\_\_\_\_

30 (Representative SANBORN)

31 TOWN: Gorham