

## 125th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2011

**Legislative Document** 

No. 489

H.P. 382

House of Representatives, February 10, 2011

An Act To Exempt Active Duty Armed Services Income from the Income Tax

Reference to the Committee on Taxation suggested and ordered printed.

HEATHER J.R. PRIEST Clerk

Presented by Representative HARVELL of Farmington.

Cosponsored by Representatives: CLARK of Easton, COTTA of China, ESPLING of New Gloucester, KNIGHT of Livermore Falls, MORISSETTE of Winslow, PARRY of Arundel, PLUMMER of Windham, SANDERSON of Chelsea.

1	Be it enacted by the People of the State of Maine as follows:
2 3	<b>Sec. 1. 36 MRSA §5122, sub-§2, ¶FF,</b> as corrected by RR 2009, c. 2, §112, is amended to read:
4 5	FF. To the extent included in federal adjusted gross income, student loan payments made by the taxpayer's employer in accordance with section 5217-D; and
6 7	<b>Sec. 2. 36 MRSA §5122, sub-§2, ¶GG,</b> as reallocated by RR 2009, c. 2, §113, is amended to read:
8 9 10 11	GG. To the extent included in the taxpayer's federal adjusted gross income, the recovery of a portion of a federal standard deduction claimed in a prior year for which the taxpayer was not allowed under this Part to reduce federal adjusted gross income or Maine adjusted gross income for that year: and
12	Sec. 3. 36 MRSA §5122, sub-§2, ¶HH is enacted to read:
13 14	HH. Income received by an individual for active duty in the Armed Forces of the United States, as defined in the Code, Section 7701(a)(15).
15 16	<b>Sec. 4. Application.</b> This Act applies to tax years beginning on or after January 1, 2011.
17	SUMMARY
18 19	This bill exempts from income tax income received by an individual for active duty in the Armed Forces of the United States.