

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill by striking out the title and substituting the following:

**'An Act To Provide a State Income Tax  
Deduction to Dentists for Military Pensions'**

Amend the bill by striking out all of the emergency preamble (page 1, lines 1 to 8 in L.D.).

Amend the bill by striking out all of section 1 and inserting the following:

'**Sec. 1. 36 MRSA §5122, sub-§2, ¶Y**, as enacted by PL 2007, c. 466, Pt. A, §68 and affected by §70, is amended to read:

Y. The portion of contributions to a qualified tuition program established under Section 529 of the Code up to \$250 per designated beneficiary. This deduction may not be claimed on returns when federal adjusted gross income exceeds \$100,000 for returns with a filing status of single or married filing separately or \$200,000 for returns with a filing status of married joint or head of household; and

**Sec. 2. 36 MRSA §5122, sub-§2, ¶Z**, as enacted by PL 2007, c. 466, Pt. A, §69, is amended to read:

Z. For income tax years beginning on or after January 1, 2006, to the extent included in federal adjusted gross income and not otherwise removed from Maine taxable income, an amount equal to the total of capital gains and ordinary income resulting from depreciation recapture determined in accordance with the Code, Sections 1245 and 1250 that is realized upon the sale of property certified as multifamily affordable housing property by the Maine State Housing Authority in accordance with Title 30-A, section 4722, subsection 1, paragraph AA.; and

**Sec. 3. 36 MRSA §5122, sub-§2, ¶AA** is enacted to read:

AA. The amount of pension benefits to the extent included in federal adjusted gross income under a military retirement plan as defined in paragraph M that exceed the amount of military retirement plan pension benefits deducted under paragraph M and that are received by a person who practices as a licensed dentist in this State for an average of at least 20 hours per week during the tax year and who accepts patients who receive benefits under the MaineCare program administered under Title 22, chapter 855.'

Amend the bill by inserting after section 2 the following:

'**Sec. 3. Appropriations and allocations.** The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

**Revenue Services - Bureau of 0002**

Initiative: Provides one-time funds for the computer programming costs associated with the military pension deduction for certain dentists.

<b>GENERAL FUND</b>	<b>2007-08</b>	<b>2008-09</b>
All Other	\$0	\$11,000
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GENERAL FUND TOTAL	\$0	\$11,000

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Amend the bill by striking out all of the emergency clause (page 1, lines 35 and 36 in L.D.).

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

### **SUMMARY**

This amendment replaces the income tax credit with an income tax deduction to facilitate administration of the benefit and removes emergency provisions. It also adds an appropriations and allocations section.

### **FISCAL NOTE REQUIRED**

**(See attached)**