

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

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

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

**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.

**Sec. 4. Application.** This Act applies to tax years beginning on or after January 1, 2008.

**Sec. 5. 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.

PUBLIC Law, Chapter 689 LD 1984, item 1, 123rd Maine State Legislature  
An Act To Provide a State Income Tax Deduction to Dentists for Military Pensions

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

Effective July 18, 2008