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Date: (Filing No. H-)

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
130TH LEGISLATURE
FIRST REGULAR SESSION**

HOUSE AMENDMENT “ ” to COMMITTEE AMENDMENT “A” to H.P. 155, L.D. 220, “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 Year Ending June 30, 2021”

Amend the amendment by inserting after Part CC the following:

PART DD

Sec. DD-1. Study of global intangible low-taxed income deduction add-back. For the purposes of studying the effectiveness of encouraging economic activity in this State, the Department of Administrative and Financial Services shall study the income modification required pursuant to the Maine Revised Statutes, Title 36, section 5200-A, subsection 1, paragraph FF of prior tax years beginning on or before December 31, 2020 regarding a taxpayer's foreign-derived intangible income deduction, referred to in this section as “the deduction,” claimed pursuant to the federal Internal Revenue Code of 1986, Section 250(a)(1)(B) and the effect of decoupling from that deduction.

In performing the study, Maine Revenue Services shall determine:

1. Whether the deduction is being used by any Maine-based businesses;
2. The effectiveness of the deduction in meeting the goal of encouraging corporations to file their taxes domestically;
3. The annual cost in revenue to the State by that deduction;
4. The annual revenue that would be generated by decoupling from the deduction; and
5. Whether there is some other deduction or incentive that would fulfill the purpose of the deduction in a more effective or efficient manner.

Maine Revenue Services shall report, with suggested legislation, to the Joint Standing Committee on Taxation no later than January 15, 2022. The joint standing committee may report out a bill related to the report to the Second Regular Session of the 130th Legislature.

PART EE

HOUSE AMENDMENT

