

# TAX WS 1/25/2024

ABBREVIATIONS

COR Carry over requested by TAX

CO-T Carried over in TAX

SHADED LDs HAVE BEEN VOTED

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FINAL ACTION	FISCAL IMPACT <sup>1</sup>	
									FY24	FY25
1231	1161	5/3	5/17 5/31	Carmichael	An Act to Bring Fairness in Income Taxes to Maine Families by Adjusting the Tax Brackets	CONCEPT DRAFT: This bill is a concept draft pursuant to Joint Rule 208. This bill would <u>change the income tax brackets</u> for imposition of the individual Maine income tax but <u>retain the same tax rates.</u>	COR	CO-T		
			1/25							
1405	1636	4/26	5/31	Boyer	An Act to Change How Adult Use Cannabis Excise Tax Is Calculated	Beginning January 1, 2024, this bill changes the basis for the calculation of the adult use cannabis excise tax on <u>cannabis flower</u> from the <u>weight of product sold to the average market rate of cannabis flower sold.</u> The average <u>market rate would be determined annually by the Department of Administrative and Financial Services.</u>  The bill <u>also decreases the excise tax on cannabis trim</u> from \$94 per pound to \$25 per pound.	OTPA	CO-T		
			1/25			Sponsor may have amendment				

<sup>1</sup> . Numbers may represent preliminary estimates and are subject to change. For more detail, please see fiscal note documents in LD file.

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1774	1077	5/9		Arata	An Act Exempting Certain Emergency Distributions and Emergency Savings Accounts from Taxation	<p>This bill provides for an <u>IT deduction of the following amounts</u> from FAGI for purposes of <u>calculating MAGI</u> (subtraction modification):</p> <ol style="list-style-type: none"> <li>1. An amount constituting <u>an emergency personal expense distribution from an eligible retirement plan</u> allowed under the federal Consolidated Appropriations Act, 2023, Public Law 117-328, Division T, Section 115; and</li> <li>2. <u>Any capital gains, dividends or interest earned in pension-linked emergency savings accounts</u> described under the federal Consolidated Appropriations Act, 2023, Public Law 117-328, Division T, Section 127.</li> </ol> <p>Sponsor provided text of relevent federal laws with her testimony</p>	COR	CO-T		
			1/25/24							
1873	1495	5/18	5/24	Brakey	An Act to Provide Heating Relief with Tax-free Home Energy Savings Accounts	<p>This bill <u>establishes the Home Energy Savings Account Program, to be administered by FAME</u> to allow individuals and married couples <u>to open a home energy savings account into which annual deposits of up to \$2,500 for an individual and \$5,000 for a married couple may be made to be used for home weatherization and heating or electricity cost of a residence in Maine.</u> Balances in an account carry forward each year.</p> <p>The <u>amount deposited is exempt from Maine income tax but may be used only for the weatherization of the account holder's residence or the payment of fuel or electricity costs incurred for heating the account holder's residence. If used for another purpose are subject to income tax.</u></p>	COR	CO-T		
			1/25/24			<p>MRS "technical concerns"</p> <ul style="list-style-type: none"> <li>• availability of Housing Authority existing benefits</li> </ul>				

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						<ul style="list-style-type: none"> <li>• need for certification</li> <li>• addition modification if funds not use</li> <li>• definition of weatherization costs and fuel</li> <li>• FAM&lt;E to certify account deposits</li> <li>• Clarify process for married filing separately and heads of households</li> <li>• does not require that funds be used for primary residence</li> <li>• needs recapture provisions</li> </ul>				