

Amend the Governor's Supplemental Budget Part D as follows:

Current

PART D

Sec. D-1. 36 MRSA §5122, sub-§ 1, ¶MM is enacted to read:

MM. For each taxable year beginning after December 31, 2017 and before January 1, 2021, an amount equal to the taxpayer's excess business loss for the taxable year determined under the Code, section 461(l) applying subsection (1)(B) of that section to the calculation for the tax year, reduced by any amount of the loss included in Maine taxable income for a prior tax year pursuant to paragraph H of this subsection.

Sec. D-2. 36 MRSA §5122, sub-§2, ¶UU is enacted to read:

UU. An amount equal to the value of any prior year addition modification under subsection 1, paragraph MM, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The amount has not been previously used as a modification pursuant to this paragraph or otherwise used to reduce Maine taxable income; and

(3) The taxpayer does not include the amount in computing any net operating loss carryback or carryover pursuant to the Code, section 172, for federal income tax purposes.

Revised

Sec. D-1. 36 MRS §5122, sub-§1, ¶MM is enacted to read:

MM. For each taxable year beginning after December 31, 2017 and before January 1, 2021, an amount equal to the taxpayer's excess business loss for the taxable year determined under the Code, Section 461(l), reduced by any amount of the loss included in Maine taxable income for a prior tax year pursuant to paragraph H. Notwithstanding the application dates contained in the Code, Section 461(l)1(B), Section 461(l)1(B) applies to the calculation for the taxable year.

Sec. D-2. 36 MRS §5122, sub-§2, ¶UU is enacted to read:

UU. An amount equal to the value of any prior year addition modification under subsection 1, paragraph MM, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The amount has not been previously used as a modification pursuant to this paragraph or otherwise used to reduce Maine taxable income; and

(3) The taxpayer does not include the amount in computing any net operating loss carryback or carryover pursuant to the Code, Section 172 for federal income tax purposes.

**PART D
SUMMARY**

This Part is revised to clarify wording and to correct the indentation of paragraphs and subparagraphs to ensure proper context and interpretation of the language.

DRAFT

Amend the Governor's Supplemental Budget Part E as follows:

Current

PART E

Sec. E-1. 36 MRSA §5122, sub-§1, ¶NN is enacted to read:

NN. For taxable years beginning on or after January 1, 2019 and before January 1, 2021, the amount of the taxpayer's federal business interest deduction for the taxable year that exceeds the limitation for such deduction contained in the Code, section 163(j) applying a rate of 30 percent to adjusted taxable income for the purposes of the Code, section 163(j)(1)(B) without regard to the special rule described in the Code, section 163(j)(10)(A)(i).

Sec. E-2. 36 MRSA §5122, sub-§2, ¶VV is enacted to read:

VV. For taxable years beginning on or after January 1, 2021, an amount equal to the value of any prior year addition modification under subsection 1, paragraph NN, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) No more than 25% of the amount is used as a modification in any taxable year; and

(3) The amount has not been previously used as a modification pursuant to this paragraph or otherwise used to reduce Maine taxable income.

Sec. E-3. 36 MRSA §5200-A, sub-§1, ¶GG is enacted to read:

GG. For taxable years beginning on or after January 1, 2019 and before January 1, 2021, the amount of the taxpayer's federal business interest deduction for the taxable year that exceeds the limitation for such deduction contained in the Code, section 163(j) applying a rate of 30 percent to adjusted taxable income for the purposes of the Code, section 163(j)(1)(B) without regard to the special rule described in the Code, section 163(j)(10)(A)(i).

Sec. E-4. 36 MRSA §5200-A, sub-§2, ¶HH is enacted to read:

HH. For taxable years beginning on or after January 1, 2021, an amount equal to the value of any prior year addition modification under subsection 1, paragraph GG, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) No more than 25% of the amount is used as a modification in any taxable year; and

(3) The amount has not been previously used as a modification pursuant to this paragraph or otherwise used to reduce Maine taxable income.

Revised

Sec. E-1. 36 MRS §5122, sub-§1, ¶NN is enacted to read:

NN. For taxable years beginning on or after January 1, 2019 and before January 1, 2021, the amount of the taxpayer's federal business interest deduction for the taxable year that exceeds the limitation for such deduction contained in the Code, Section 163(j), applying a rate of 30% to adjusted taxable income for the purposes of the Code, Section 163(j)(1)(B) without regard to the special rule described in the Code, Section 163(j)(10)(A)(i).

Sec. E-2. 36 MRS §5122, sub-§2, ¶VV is enacted to read:

VV. For taxable years beginning on or after January 1, 2021, an amount equal to the value of any prior year addition modification under subsection 1, paragraph NN, but only to the extent that:

- (1) Maine taxable income is not reduced below zero;
- (2) No more than 25% of the amount is used as a modification in any taxable year; and
- (3) The amount has not been previously used as a modification pursuant to this paragraph or otherwise used to reduce Maine taxable income.

Sec. E-3. 36 MRS §5200-A, sub-§1, ¶GG is enacted to read:

GG. For taxable years beginning on or after January 1, 2019 and before January 1, 2021, the amount of the taxpayer's federal business interest deduction for the taxable year that exceeds the limitation for such deduction contained in the Code, Section 163(j), applying a rate of 30% to adjusted taxable income for the purposes of the Code, Section 163(j)(1)(B) without regard to the special rule described in the Code, Section 163(j)(10)(A)(i).

Sec. E-4. 36 MRS §5200-A, sub-§2, ¶HH is enacted to read:

HH. For taxable years beginning on or after January 1, 2021, an amount equal to the value of any prior year addition modification under subsection 1, paragraph GG, but only to the extent that:

- (1) Maine taxable income is not reduced below zero;

(2) No more than 25% of the amount is used as a modification in any taxable year; and

(3) The amount has not been previously used as a modification pursuant to this paragraph or otherwise used to reduce Maine taxable income.

PART E SUMMARY

This Part is revised to correct the indentation of paragraphs and subparagraphs to ensure proper context and interpretation of the language.

DRAFT

Amend the Governor's Supplemental Budget Part F as follows:

Current

PART F

Sec. F-1. 36 MRS §5219-NN, sub-§2, as repealed and replaced by PL 2017, c. 211, Pt. D, §8, is amended to read:

2. Certain property excluded. The following property is not eligible for the credit under this section:

A. Property owned by a public utility as defined by Title 35-A, section 102, subsection 13;

B. Property owned by a person that provides radio paging services as defined by Title 35-A, section 102, subsection 15;

C. Property owned by a person that provides mobile telecommunications services as defined by Title 35-A, section 102, subsection 9-A;

D. Property owned by a cable television company as defined by Title 30-A, section 2001, subsection 2;

E. Property owned by a person that provides satellite-based direct television broadcast services;

F. Property owned by a person that provides multichannel, multipoint television distribution services; ~~and~~

G. Property that is not in service in the State for the entire 12-month period following the date it is placed in service in the State; ~~and~~

H. Qualified improvement property, as that term is defined in the Code, section 168(e)(6), placed in service after December 31, 2017 and prior to January 1, 2020.

Revised

Sec. F-1. 36 MRS §5219-NN, sub-§2, ¶F, as repealed and replaced by PL 2017, c. 211, Pt. D, §8, is amended to read:

F. Property owned by a person that provides multichannel, multipoint television distribution services; ~~and~~

Sec. F-2. 36 MRS §5219-NN, sub-§2, ¶G, as repealed and replaced by PL 2017, c. 211, Pt. D, §8, is amended to read:

G. Property that is not in service in the State for the entire 12-month period following the date it is placed in service in the State; and

Sec. F-3. 36 MRS §5219-NN, sub-§2, ¶H is enacted to read:

H. Qualified improvement property, as defined in the Code, Section 168(e)(6), placed in service after December 31, 2017 and prior to January 1, 2020.

PART F SUMMARY

This Part is revised to clarify the formatting and correct the indentation of paragraphs and subparagraphs to ensure proper context and interpretation of the language.

Amend the Governor's Supplemental Budget Part G as follows:

Current

PART G

Sec. G-1. 36 MRSA §5200-A, sub-§1, ¶HH, is enacted to read:

HH. For taxable years beginning after January 1, 2019 and before January 1, 2020, an amount equal to the difference between the taxpayer's charitable deduction as determined under the Code, section 170 excluding application of the amendments made by section 2205 of the federal Coronavirus Aid, Relief, and Economic Security Act, Public Law 116-136, and the taxpayer's charitable deduction as determined under the Code, section 170 applying the amendments of federal Public Law 116-136, section 2205.

Sec. G-2. 36 MRSA §5200-A, sub-§2, ¶II, is enacted to read:

II. For taxable years beginning after January 1, 2020 and before January 1, 2025, an amount equal to the amount by which federal taxable income was increased under subsection 1, paragraph HH, but only to the extent that:

(1) Maine taxable income is not reduced below zero; and

(2) The amount has not been previously used as a modification pursuant to this paragraph or otherwise used to reduce Maine taxable income.

Revised

Sec. G-1. 36 MRSA §5200-A, sub-§1, ¶HH is enacted to read:

HH. For taxable years beginning after January 1, 2019 and before January 1, 2020, an amount equal to the difference between the taxpayer's charitable deduction as determined under the Code, Section 170 excluding application of the amendments made by Section 2205 of the federal Coronavirus Aid, Relief, and Economic Security Act, Public Law 116-136, and the taxpayer's charitable deduction as determined under the Code, Section 170 including application of the amendments made by federal Public Law 116-136, Section 2205.

Sec. G-2. 36 MRSA §5200-A, sub-§2, ¶II is enacted to read:

II. For taxable years beginning after January 1, 2020 and before January 1, 2025, an amount equal to the amount by which federal taxable income was increased under subsection 1, paragraph HH, but only to the extent that:

- (3) Maine taxable income is not reduced below zero; and
- (4) The amount has not been previously used as a modification pursuant to this paragraph or otherwise used to reduce Maine taxable income.

PART G SUMMARY

This Part is revised to correct the indentation of paragraphs and subparagraphs to ensure proper context and interpretation of the language.

DRAFT

Amend the Governor's Supplemental Budget by adding a new Part U:

PART U

Sec. U-1. 36 MRSA §5200-A, sub-§1, ¶FF, as enacted by PL 2017, c. 474, Pt. D, §1, is amended to read:

FF. An amount equal to the taxpayer's ~~global intangible low-taxed income~~ deduction claimed in accordance with the Code, Section 250(a)(1)(B).

Sec. U-2. Retroactivity. This Part applies to tax years beginning on or after January 1, 2020.

**PART U
SUMMARY**

This Part expands the addition modification for the amount of the global intangible low-taxed income deduction. For tax years beginning on or after January 1, 2020, the modification is for the total amount of the foreign-derived intangible income and global intangible low-taxed income deduction claimed in accordance with the Code, Section 250(a).

Amend the Governor's Supplemental Budget by adding a new Part V:

PART V

Sec. V-1. 36 MRS §5122, sub-§1, ¶OO is enacted to read:

OO. For each taxable year beginning after January 1, 2019, the amount of any loans made to the taxpayer under the Paycheck Protection Program that receive loan forgiveness treatment pursuant to Section 1106 of the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116-136), the Paycheck Protection Program and Health Care Enhancement Act (Public Law 116-139), the Paycheck Protection Program Flexibility Act of 2020 (Public Law 116-142) or the Consolidated Appropriations Act, 2021 (Public Law 116-260), to the extent that a deduction is claimed for federal income tax purposes pursuant to Division N, Section 276 of the Consolidated Appropriations Act, 2021 for expenses that qualify for and are a basis of said loan forgiveness.

For loans not forgiven during the taxable year, the modification must be calculated as if the loans had been forgiven during the taxable year if the taxpayer reasonably expects to receive forgiveness, even if the taxpayer has not submitted an application for forgiveness. If the actual forgiveness, including a denial of forgiveness or decision not to seek forgiveness, differs from said expectations, the taxpayer may file an amended return.

Sec. V-2. 36 MRS §5200-A, sub-§1, ¶II is enacted to read:

JJ. For each taxable year beginning after January 1, 2019, the amount of any loans made to the taxpayer under the Paycheck Protection Program that receive loan forgiveness treatment pursuant to Section 1106 of the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116-136), the Paycheck Protection Program and Health Care Enhancement Act (Public Law 116-139), the Paycheck Protection Program Flexibility Act of 2020 (Public Law 116-142) or the Consolidated Appropriations Act, 2021 (Public Law 116-260), to the extent that a deduction is claimed for federal income tax purposes pursuant to Division N, Section 276 of the Consolidated Appropriations Act, 2021 for expenses that qualify for and are a basis of said loan forgiveness.

For loans not forgiven during the taxable year, the modification must be calculated as if the loans had been forgiven during the taxable year if the taxpayer reasonably expects to receive forgiveness, even if the taxpayer has not submitted an application for forgiveness. If the actual forgiveness, including a denial of forgiveness or decision not to seek forgiveness, differs from said expectations, the taxpayer may file an amended return.

Sec. V-3. Retroactivity. This Part applies retroactively to tax years beginning after January 1, 2019.

**PART V
SUMMARY**

This Part requires an addition modification for calculating taxable income for Maine income tax purposes of the amount of any loans made to the taxpayer under the federal Paycheck Protection Program pursuant to the CARES Act, and subsequent amending Acts, that receive, or are reasonably expected to receive, loan forgiveness treatment to the extent that a deduction is claimed for federal income tax purposes pursuant to Division N, Section 276 of the Consolidated Appropriations Act, 2021 for expenses that qualify for and are a basis of the loan forgiveness. If the actual forgiveness, including a denial of forgiveness or decision not to seek forgiveness, differs from the expectations, the taxpayer may file an amended return. The addition modification applies to taxable years beginning after January 1, 2019.

Amend the Governor's Supplemental Budget by adding a new Part W:

PART W

Sec. W-1. 36 MRS §5122, sub-§1, ¶PP is enacted to read:

PP. For each taxable year beginning after January 1, 2019, an amount equal to any decrease in adjusted gross income allowed for federal income tax purposes pursuant to Division N, Section 278 of the Consolidated Appropriations Act, 2021 (Public Law 116-260).

Sec. W-2. 36 MRS §5200-A, sub-§1, ¶JJ is enacted to read:

JJ. For each taxable year beginning after January 1, 2019, an amount equal to any decrease in taxable income allowed for federal income tax purposes pursuant to Division N, Section 278 of the Consolidated Appropriations Act, 2021 (Public Law 116-260).

Sec. W-3. Retroactivity. This Part applies retroactively to tax years beginning after January 1, 2019.

**PART W
SUMMARY**

This Part requires an addition modification for calculating taxable income for Maine income tax purposes equal to any decrease in adjusted gross income or taxable income, respectively, allowed for federal income tax purposes pursuant to Division N, Section 278 of the Consolidated Appropriations Act, 2021 "Clarification of Tax Treatment of Certain Loan Forgiveness and Other Business Financial Assistance." The addition modification applies to taxable years beginning after January 1, 2019.

Amend the Governor's Supplemental Budget by adding a new Part X:

PART X

Sec. X-1. 36 MRS §5122, sub-§1, ¶QQ is enacted to read:

QQ. For each taxable year beginning on after January 1, 2021, an amount equal to any increase in deductions allowed for federal income tax purposes pursuant to Division EE, Section 210 of the Consolidated Appropriations Act, 2021 (Public Law 116-260).

Sec. X-2. 36 MRS §5200-A, sub-§1, ¶KK is enacted to read:

KK. For each taxable year beginning on after January 1, 2021, an amount equal to any increase in deductions allowed for federal income tax purposes pursuant to Division EE, Section 210 of the Consolidated Appropriations Act, 2021 (Public Law 116-260).

**PART X
SUMMARY**

This Part requires an addition modification for calculating taxable income for Maine income tax purposes equal to any increase in deductions allowed for federal income tax purposes pursuant to Division EE, Section 210 of the Consolidated Appropriations Act, 2021 "Temporary Allowance of Full Deduction for Business Meals." The addition modification applies to taxable years beginning on or after January 1, 2021.