

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 Tax Relief for Retired Veterans Operating Businesses in Maine

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

Sec. 1. 36 MRSA §5122, sub-§2, ¶AA, as corrected by RR 2007, c. 2, §23, is amended to read:

AA. For taxable years beginning on or after January 1, 2009, an amount equal to the net decrease in the depreciation deductions allowable under sections 167 and 168 of the Code that would have been applicable to that property had the 50% bonus depreciation deduction under Section 103 of the Economic Stimulus Act of 2008, Public Law 110-185 not been claimed with respect to such property for which an addition was required under subsection 1, paragraph AA in a prior year.

Upon the taxable disposition of property to which this paragraph applies, the amount of any gain or loss includable in federal adjusted gross income must be adjusted for Maine income tax purposes by an amount equal to the difference between the addition modification for such property under subsection 1, paragraph AA and the subtraction modifications allowed pursuant to this paragraph.

The total amount of subtraction claimed for property under this paragraph for all tax years may not exceed the addition modification under subsection 1, paragraph AA for the same property; and

Sec. 2. 36 MRSA §5122, sub-§2, ¶BB, as reallocated by RR 2007, c. 2, §24, is amended to read:

BB. 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; and

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

CC. For each individual who is a primary recipient of pension benefits under a military retirement plan as defined in paragraph M and who operates a business in the State with at least one employee who is not related to the individual, an amount equal to 50% of the benefits received under the military retirement plan. The subtraction allowed under this paragraph may not be claimed by an individual who claims the subtraction allowed under paragraph M.

SUMMARY

HP0461, LD 647, item 1, 124th Maine State Legislature
An Act To Provide Tax Relief for Retired Veterans Operating Businesses in Maine

This bill provides an income tax deduction for 50% of military retirement benefits for a veteran who operates a business in the State with at least one employee who is not related to the veteran.