

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

Amend the amendment by striking out all of Part HH and inserting the following:

PART HH

Sec. HH-1. 36 MRSA §5117 is enacted to read:

§ 5117. Tax equalization

For tax years beginning on or after January 1, 2012, a tax equalization payment is imposed on every resident individual who is determined, solely on the basis of expanded income and with respect to the most recent tax incidence analysis report filed with the Legislature under section 200, to fall within the top 1% of Maine resident individual taxpayers.

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Expanded income" means the income of the taxpayer determined pursuant to section 6201, subsection 9.

B. "State and local tax burden" means the average effective tax rate of all state and local taxes paid by all individual taxpayers in a class of taxpayers.

C. "Tax equalization gap" means the difference between the state and local tax burden for the top 1% of taxpayers and the state and local tax burden for the bottom 99% of taxpayers based on expanded income as identified in the most recent tax incidence analysis report filed with the Legislature under section 200.

2. Partial tax equalization rate. By September 15, 2012 and annually thereafter, the State Tax Assessor shall calculate the tax equalization gap. The partial tax equalization rate is the lesser of the tax equalization gap and the rate specified in this subsection and may not be less than zero. The partial tax equalization rate specified in this subsection applies to the tax years that begin during the calendar year during which the rate is calculated. For tax years beginning on or after January 1, 2012, the partial tax equalization rate is .082%.

3. Tax equalization payment amount. The tax equalization payment amount under this section for any taxable year is equal to the partial tax equalization rate for that taxable year determined in accordance with subsection 2 multiplied by the expanded income of the taxpayer for the taxable year. For the purposes of this subsection, the expanded income of the taxpayer is the total expanded income for the income tax filing unit regardless of income tax filing status.

4. Payment; enforcement. The State Tax Assessor shall provide for the reporting and payment of the tax equalization payment on individual income tax forms. The tax equalization payment is not income tax for the purposes of this Part. The provisions of this Title applying to the collection and enforcement of income taxes apply to the collection and enforcement of the tax equalization payment except that an obligation to pay estimated taxes under section 5228 does not apply with regard to the tax equalization payment. Income tax credits available under chapter 822 do not apply with regard to the tax equalization payment.

5. Rules. The State Tax Assessor may adopt rules, which are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A, to implement this section.

PART II

Sec. II-1. Appropriations and allocations. The following appropriations and allocations are made.

HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY BDS)

Mental Health Services - Community 0121

Initiative: Provides funds to offset a 6% reduction in mobile outreach crisis contracts in Part A of this Act.

GENERAL FUND	2011-12	2012-13
All Other	\$0	\$277,500
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GENERAL FUND TOTAL	\$0	\$277,500

HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY BDS)		
DEPARTMENT TOTALS	2011-12	2012-13
GENERAL FUND	\$0	\$277,500
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DEPARTMENT TOTAL - ALL FUNDS	\$0	\$277,500

HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)

FHM - Drugs for the Elderly and Disabled Z015

Initiative: Restores funding for the Medicare savings program.

FUND FOR A HEALTHY MAINE	2011-12	2012-13
All Other	\$0	\$1,219,908

FUND FOR A HEALTHY MAINE TOTAL	\$0	\$1,219,908
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FHM - Medical Care 0960

Initiative: Notwithstanding any other provision of law, adjusts funding by increasing funding in the Medical Care - Payments to Providers program and decreasing funding in the FHM - Medical Care program to reflect a redistribution of funding within the Fund for a Healthy Maine.

FUND FOR A HEALTHY MAINE	2011-12	2012-13
All Other	\$0	(\$1,219,908)
FUND FOR A HEALTHY MAINE TOTAL	\$0	(\$1,219,908)

Low-cost Drugs To Maine's Elderly 0202

Initiative: Restores funding for the Low-cost Drugs To Maine's Elderly program.

GENERAL FUND	2011-12	2012-13
All Other	\$0	\$112,154
GENERAL FUND TOTAL	\$0	\$112,154

Medical Care - Payments to Providers 0147

Initiative: Provides funds to offset a reduction from savings from utilizing a crisis assessment in emergency departments and savings from initiatives related to institutes for mental disease and psychiatric units in private hospitals in Part A of this Act.

GENERAL FUND	2011-12	2012-13
All Other	\$0	\$397,500
GENERAL FUND TOTAL	\$0	\$397,500

FEDERAL EXPENDITURES FUND	2011-12	2012-13
All Other	\$0	\$684,722
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$684,722

Medical Care - Payments to Providers 0147

Initiative: Provides funds to offset the elimination of ambulatory surgical center services as an optional service in the MaineCare program in Part A of this Act.

GENERAL FUND	2011-12	2012-13
All Other	\$0	\$77,697
GENERAL FUND TOTAL	<hr/> \$0	<hr/> \$77,697

FEDERAL EXPENDITURES FUND	2011-12	2012-13
All Other	\$0	\$133,839
FEDERAL EXPENDITURES FUND TOTAL	<hr/> \$0	<hr/> \$133,839

Medical Care - Payments to Providers 0147

Initiative: Provides funds to offset the elimination of sexually transmitted disease screening clinic services as an optional service in the MaineCare program in Part A of this Act.

GENERAL FUND	2011-12	2012-13
All Other	\$0	\$163,463
GENERAL FUND TOTAL	<hr/> \$0	<hr/> \$163,463

FEDERAL EXPENDITURES FUND	2011-12	2012-13
All Other	\$0	\$181,178
FEDERAL EXPENDITURES FUND TOTAL	<hr/> \$0	<hr/> \$181,178

Medical Care - Payments to Providers 0147

Initiative: Provides funds to offset the elimination of reimbursement for smoking cessation products in Part A of this Act.

GENERAL FUND	2011-12	2012-13
All Other	\$0	\$179,095
GENERAL FUND TOTAL	<hr/> \$0	<hr/> \$179,095

FEDERAL EXPENDITURES FUND	2011-12	2012-13
All Other	\$0	\$308,504
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$308,504

Medical Care - Payments to Providers 0147

Initiative: Restores funding for MaineCare hospital crossover payments as a result of restoring reductions to the Medicare savings program.

GENERAL FUND	2011-12	2012-13
All Other	\$0	\$1,663,554
GENERAL FUND TOTAL	\$0	\$1,663,554

FEDERAL EXPENDITURES FUND	2011-12	2012-13
All Other	\$0	\$2,865,588
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$2,865,588

Medical Care - Payments to Providers 0147

Initiative: Notwithstanding any other provision of law, adjusts funding by increasing funding in the Medical Care - Payments to Providers program and decreasing funding in the FHM - Medical Care program to reflect a redistribution of funding within the Fund for a Healthy Maine.

GENERAL FUND	2011-12	2012-13
All Other	\$0	\$1,219,908
GENERAL FUND TOTAL	\$0	\$1,219,908

**HEALTH AND HUMAN SERVICES, DEPARTMENT
OF (FORMERLY DHS)**

DEPARTMENT TOTALS	2011-12	2012-13
GENERAL FUND	\$0	\$3,813,371
FEDERAL EXPENDITURES FUND	\$0	\$4,173,831
FUND FOR A HEALTHY MAINE	\$0	\$0

DEPARTMENT TOTAL - ALL FUNDS	\$0	\$7,987,202
SECTION TOTALS	2011-12	2012-13
GENERAL FUND	\$0	\$4,090,871
FEDERAL EXPENDITURES FUND	\$0	\$4,173,831
FUND FOR A HEALTHY MAINE	\$0	\$0
SECTION TOTAL - ALL FUNDS	\$0	\$8,264,702

Amend the amendment by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment restores funding for adult and elderly health services and for mental health services and provides funding for the restoration of services through the establishment of a tax equalization payment on persons whose state and local tax burden is among the top 1% of all taxpayers.

FISCAL NOTE REQUIRED
(See attached)