

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 inserting after Part Z the following:

PART AA

Sec. AA-1. 36 MRSA §5111, sub-§1-D, as enacted by PL 2013, c. 368, Pt. Q, §4, is repealed and the following enacted in its place:

1-D. Single individuals and married persons filing separate returns; tax years beginning 2014. For tax years beginning on or after January 1, 2014, for single individuals and married persons filing separate returns:

<u>If Maine Taxable income is:</u>	<u>The tax is:</u>
<u>Less than \$5,100</u>	<u>2% of the Maine taxable income</u>
<u>At least \$5,100 but less than \$10,150</u>	<u>\$102 plus 4.5% of the excess over \$5,100</u>
<u>At least \$10,150 but less than \$20,350</u>	<u>\$329 plus 7.0% of the excess over \$10,150</u>
<u>\$20,350 or more</u>	<u>\$1,043 plus 8.5% of the excess over \$20,350</u>

Sec. AA-2. 36 MRSA §5111, sub-§2-D, as enacted by PL 2013, c. 368, Pt. Q, §6, is repealed and the following enacted in its place:

2-D. Heads of households; tax years beginning 2014. For tax years beginning on or after January 1, 2014, for unmarried individuals or legally separated individuals who qualify as heads of households:

<u>If Maine Taxable income is:</u>	<u>The tax is:</u>
<u>Less than \$7,650</u>	<u>2% of the Maine taxable income</u>
<u>At least \$7,650 but less than \$15,200</u>	<u>\$153 plus 4.5% of the excess over \$7,650</u>
<u>At least \$15,200 but less than \$30,500</u>	<u>\$493 plus 7.0% of the excess over \$15,200</u>
<u>\$30,500 or more</u>	<u>\$1,043 plus 8.5% of the excess over \$30,500</u>

Sec. AA-3. 36 MRSA §5111, sub-§3-D, as enacted by PL 2013, c. 368, Pt. Q, §8, is repealed and the following enacted in its place:

3-D. Individuals filing married joint return or surviving spouses; tax years beginning 2014. For tax years beginning on or after January 1, 2014, for individuals filing married joint returns or surviving spouses permitted to file a joint return:

<u>If Maine Taxable income is:</u>	<u>The tax is:</u>
<u>Less than \$10,200</u>	<u>2% of the Maine taxable income</u>
<u>At least \$10,200 but less than \$20,350</u>	<u>\$204 plus 4.5% of the excess over \$10,200</u>

At least \$20,350 but less than \$40,700

\$661 plus 7.0% of the excess over \$20,350

\$40,700 or more

\$2,086 plus 8.5% of the excess over \$40,700

Sec. AA-4. 36 MRSA §5126, first ¶, as amended by PL 2011, c. 380, Pt. N, §11 and affected by §19, is further amended to read:

For income tax years beginning on or after January 1, 1998 but before January 1, 1999, a resident individual is allowed \$2,400 for each exemption that the individual properly claims for the taxable year for federal income tax purposes, unless the taxpayer is claimed as a dependent on another return. For income tax years beginning on or after January 1, 1999 but before January 1, 2000, a resident individual is allowed \$2,750 for each exemption that the individual properly claims for the taxable year for federal income tax purposes, unless the taxpayer is claimed as a dependent on another return. For income tax years beginning on or after January 1, 2000 but before January 1, 2013, a resident individual is allowed \$2,850 for each exemption that the individual properly claims for the taxable year for federal income tax purposes, unless the taxpayer is claimed as a dependent on another return. For income tax years beginning on or after January 1, 2013 but before January 1, 2014, a resident individual is allowed a deduction equal to the total amount of deductions allowed for personal exemptions in accordance with the Code, Section 151. For income tax years beginning on or after January 1, 2014, a resident individual is allowed \$2,850 for each exemption that the individual properly claims for the taxable year for federal income tax purposes, unless the taxpayer is claimed as a dependent on another return.

Sec. AA-5. Application. This Part applies to tax years beginning on or after January 1, 2014.

PART BB

Sec. BB-1. 36 MRSA §4061, as amended by PL 2011, c. 380, Pt. M, §3 and affected by §10, is further amended to read:

§ 4061.Applicability of provisions

This chapter applies to the estates of persons who die after June 30, 1986 and before January 1, 2013 or after January 1, 2014.

Sec. BB-2. 36 MRSA §4101, as enacted by PL 2011, c. 380, Pt. M, §9, is amended to read:

§ 4101.Applicability of provisions

This chapter applies to the estates of persons who die after December 31, 2012 and before January 1, 2014.

PART CC

Sec. CC-1. 36 MRSA §5200, sub-§5, as enacted by PL 2005, c. 457, Pt. FFF, §1 and affected by §2, is repealed and the following enacted in its place:

5. Net income. For purposes of this section, "net income" means for any taxable year the total of the following as modified by section 5200-A:

- A. The taxable income of the taxpayer for that taxable year under the laws of the United States; and
- B. The taxable income or loss of any corporation that is a member of a unitary group and that is incorporated in any of the following jurisdictions: the Principality of Andorra, Anguilla, Antigua and Barbuda, Aruba, the Commonwealth of the Bahamas, the Kingdom of Bahrain, Barbados, Belize, Bermuda, the British Virgin Islands, the Cayman Islands, the Cook Islands, the Republic of Cyprus, the Commonwealth of Dominica, Gibraltar, Grenada, the Bailiwick of Guernsey, the Isle of Man, the Bailiwick of Jersey, the Republic of Liberia, the Principality of Liechtenstein, the Grand Duchy of Luxembourg, Malta, the Republic of the Marshall Islands, the Republic of Mauritius, the Principality of Monaco, Montserrat, the Republic of Nauru, the Caribbean Netherlands, Niue, the Independent State of Samoa, the Republic of San Marino, the Republic of Seychelles, the Federation of St. Christopher and Nevis, St. Lucia, St. Vincent and the Grenadines, the Turks and Caicos Islands, the United States Virgin Islands and the Republic of Vanuatu.

Sec. 2. Rules. The State Tax Assessor shall adopt rules to determine the income or loss for a corporation that is a member of a unitary group that is not otherwise required to file a consolidated federal return and to prevent double taxation or double deduction of any amount included in the computation of net income under the Maine Revised Statutes, Title 36, section 5200, subsection 5. Rules adopted pursuant to this section are major substantive rules as described in Title 5, chapter 375, subchapter 2-A.

Sec. 3. Application. This Part applies to tax years beginning on or after January 1, 2015.

PART DD

Sec. DD-1. 36 MRSA §5219-II, sub-§2, as enacted by PL 2013, c. 368, Pt. L, §1, is amended to read:

2. Credit. A resident individual filing a single or married separate return or resident spouses filing joint returns with Maine adjusted gross income up to \$40,000 are allowed a credit against the taxes imposed under this Part in an amount equal to 40% of the amount by which the benefit base exceeds 10% of the resident individual's or the resident spouses' total Maine adjusted gross income as defined under section 5102, subsection 1-C, paragraph A that is greater than zero. The credit may not exceed ~~\$300~~\$1,600 for resident individuals under 70 years of age as of the last day of the taxable year and \$400 for resident individuals 70 years of age and older as of the last day of the taxable year. In the case of married individuals filing a joint return, only one spouse is required to be 70 years of age and older to qualify for the ~~\$400~~ credit limitation. In the case of resident married individuals filing separate returns, each of whom claim the credit on the same homestead, the credit for each spouse may not exceed ~~\$150~~ if, for the taxable year, neither spouse was a resident individual 70 years of age or older or ~~\$200~~ if, for the taxable year, at least one spouse was 70 years of age or older ~~\$800~~.

Sec. DD-2. Application. This Part applies to tax years beginning on or after January 1, 2014.

PART EE

Sec. EE-1. 36 MRSA §5219-S, as amended by PL 2009, c. 213, Pt. BBBB, §16, is further amended to read:

§ 5219-S.Earned income credit

1. Resident taxpayer. A resident individual is allowed a credit against the tax otherwise due under this Part in the amount of 5% of the federal earned income credit for the same taxable year, except that for tax years beginning in 2009 and 2010, the applicable percentage is 4% and for tax years beginning on or after January 1, 2014, the applicable percentage is 12.1%.

2. Nonresident taxpayer. A nonresident individual is allowed a credit against the tax otherwise due under this Part in the amount of 5% of the federal earned income credit for the same taxable year, except that for tax years beginning in 2009 and 2010, the applicable percentage is 4% and for tax years beginning on or after January 1, 2014, the applicable percentage is 12.1%, multiplied by the ratio of the individual's Maine adjusted gross income, as defined in section 5102, subsection 1-C, paragraph B, to the individual's entire federal adjusted gross income, as modified by section 5122.

3. Part-year resident taxpayer. An individual who files a return as a part-year resident in accordance with section 5224-A is allowed a credit against the tax otherwise due under this Part in the amount of 5% of the federal earned income credit for the same taxable year, except that for tax years beginning in 2009 and 2010, the applicable percentage is 4% and for tax years beginning on or after January 1, 2014, the applicable percentage is 12.1%, multiplied by a ratio, the numerator of which is the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph A for that portion of the taxable year during which the individual was a resident plus the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph B for that portion of the taxable year during which the individual was a nonresident and the denominator of which is the individual's entire federal adjusted gross income, as modified by section 5122.

4. Limitation. ~~The credit allowed by this section may not reduce the Maine income tax to less than zero.~~

5. Refundable. The credit allowed under this section is fully refundable.

Sec. EE-2. Application. This Part applies to tax years beginning on or after January 1, 2014.

PART FF

Sec. FF-1. Maine Clean Election Fund; additional fiscal year 2014-15 transfer. Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$3,000,000 on July 1, 2014 from the unappropriated surplus of the General Fund to the Maine Clean Election Fund under the Maine Revised Statutes, Title 21-A, section 1124.

Sec. FF-2. Maine Clean Election Fund, additional payments to candidates.

Notwithstanding any provision of law to the contrary, the Commission on Governmental Ethics and Election Practices is authorized to distribute, through rulemaking, the \$3,000,000 in section 1 of this Part to certified legislative candidates in the 2014 general election. These rules are routine technical rules pursuant to the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A.

PART GG

Sec. GG-1. 5 MRSA §1522, as amended by PL 2013, c. 1, Pt. E, §1, is repealed.

Sec. GG-2. 5 MRSA §1536, sub-§1, as amended by PL 2013, c. 1, Pt. E, §2, is further amended to read:

1. Final priority reserves. After the transfers to the State Contingent Account pursuant to section 1507;and the transfers to the Loan Insurance Reserve pursuant to section 1511 ~~and the transfers pursuant to section 1522~~, the State Controller shall transfer at the close of each fiscal year from the unappropriated surplus of the General Fund an amount equal to the amount available from the unappropriated surplus after all required deductions of appropriations, budgeted financial commitments and adjustments considered necessary by the State Controller have been made as follows:

A. Forty-eight percent to the stabilization fund;

C. Thirteen percent to the Reserve for General Fund Operating Capital;

D. Nine percent to the Retiree Health Insurance Internal Service Fund established in section 1519 to be used solely for the purpose of amortizing the unfunded actuarial liability associated with future health benefits;

E. Ten percent to the Capital Construction and Improvements Reserve Fund established in section 1516-A; and

F. Twenty percent to the Tax Relief Fund for Maine Residents established in section 1518-A.

Sec. GG-3. PL 2011, c. 380, Pt. T, §22 is amended to read:

Sec. T-22. Noncumulative cost-of-living adjustment retirement benefit. No later than August 15th in 2012;and 2013 ~~and 2014~~, the Executive Director of the Maine Public Employees Retirement System shall notify the State Controller of the total cost of providing a payment to retirees that would otherwise have been eligible for a cost-of-living adjustment but for the operation of the suspension of the annual cost-of-living adjustments pursuant to the provisions of this Part. The benefit calculation is equal to the change in the Consumer Price Index for the year ending in June of the prior calendar year, up to a maximum of 3%, but in no case may the change be less than 0%, multiplied by the retirement benefit payments up to a maximum of \$20,000 for the one-year period ending August 31st of that calendar year, excluding any retirement benefits calculated pursuant to this section. The State Controller shall transfer the amounts calculated pursuant to this section up to the balance available in the reserve for retirement benefits established in the Maine Revised Statutes, Title 5, section 1522 no later than September 1st of

each year. If the balance in the reserve for retirement benefits on that date is not sufficient to fully fund the total benefits calculated, the State Controller shall transfer the amount that is available in the reserve to the Maine Public Employees Retirement System and the executive director shall proportionally reduce the benefit calculated by this section to equal the amount of funding provided.

Sec. GG-4. Appropriations and allocations. The following appropriations and allocations are made.

RETIREMENT SYSTEM, MAINE PUBLIC EMPLOYEES

Retirement System - Retirement Allowance Fund 0085

Initiative: Provides funds for a noncumulative cost-of-living adjustment payable in 2014 that is equal to the change in the Consumer Price Index for the year ending June 30, 2013, up to a maximum of 3% but not less than 0%, multiplied by the retirement benefit payments up to a maximum of \$30,000 for the one-year period ending August 31, 2014.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$10,500,000
GENERAL FUND TOTAL	\$0	\$10,500,000

PART HH

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

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Executive Branch Departments and Independent Agencies - Statewide 0017

Initiative: Provides funding to offset savings from eliminating certain longevity payments.

GENERAL FUND	2013-14	2014-15
Personal Services	\$294,060	\$0
GENERAL FUND TOTAL	\$294,060	\$0

HIGHWAY FUND	2013-14	2014-15
Personal Services	\$70,600	\$0
HIGHWAY FUND TOTAL	\$70,600	\$0

**ADMINISTRATIVE AND FINANCIAL SERVICES,
DEPARTMENT OF**

DEPARTMENT TOTALS	2013-14	2014-15
GENERAL FUND	\$294,060	\$0
HIGHWAY FUND	\$70,600	\$0
DEPARTMENT TOTAL - ALL FUNDS	\$364,660	\$0

EDUCATION, DEPARTMENT OF

General Purpose Aid for Local Schools 0308

Initiative: Provides funds to reimburse local school administrative units for adjustments made to Title I revenues when calculating the total cost of kindergarten to grade 12 public education for each school administrative unit.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$42,000,000
GENERAL FUND TOTAL	\$0	\$42,000,000

EDUCATION, DEPARTMENT OF

DEPARTMENT TOTALS	2013-14	2014-15
GENERAL FUND	\$0	\$42,000,000
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$42,000,000

HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY BDS)

Consent Decree Z163

Initiative: Provides funds for mental health services in order to conform with the consent decree.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$2,600,000
GENERAL FUND TOTAL	\$0	\$2,600,000

Consumer-directed Services Z043

Initiative: Provides funding on an ongoing basis for consumer-directed, home-based care.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$378,000
GENERAL FUND TOTAL	\$0	\$378,000

Developmental Services Waiver - MaineCare 0987

Initiative: Appropriates funds to support services provided under the MaineCare Benefits Manual, Chapter II, Section 21 for individuals on the waiting list for waiver services.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$31,708,235
GENERAL FUND TOTAL	\$0	\$31,708,235

Developmental Services Waiver - Supports Z006

Initiative: Appropriates funds on an ongoing basis to support services provided under the MaineCare Benefits Manual, Chapter II, Section 29 for individuals on the waiting list for waiver services.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$2,624,849
GENERAL FUND TOTAL	\$0	\$2,624,849

Medicaid Waiver for Brain Injury Residential/Community Serv Z160

Initiative: Provides funding on an ongoing basis for the brain injury residential and community services waiver in the MaineCare program.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$772,689
GENERAL FUND TOTAL	\$0	\$772,689

**HEALTH AND HUMAN SERVICES, DEPARTMENT
OF (FORMERLY BDS)
DEPARTMENT TOTALS**

2013-14 2014-15

GENERAL FUND	\$0	\$38,083,773
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$38,083,773

HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)

Child Care Services 0563

Initiative: Allocates funds for quality differential payments of 5% for Tier 2, 10% for Tier 3 and 25% for Tier 4 for child care services.

FEDERAL BLOCK GRANT FUND	2013-14	2014-15
All Other	\$0	\$1,114,544
FEDERAL BLOCK GRANT FUND TOTAL	\$0	\$1,114,544

Head Start 0545

Initiative: Appropriates funds for the Head Start program.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$1,250,000
GENERAL FUND TOTAL	\$0	\$1,250,000

Long Term Care - Office of Aging and Disability Services 0420

Initiative: Provides funding on an ongoing basis for home-based care.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$3,011,040
GENERAL FUND TOTAL	\$0	\$3,011,040

Long Term Care - Office of Aging and Disability Services 0420

Initiative: Provides funding on an ongoing basis for the independent support services, homemaker services, program.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$1,966,356

GENERAL FUND TOTAL	\$0	\$1,966,356
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Low-cost Drugs To Maine's Elderly 0202

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

FUND FOR A HEALTHY MAINE	2013-14	2014-15
All Other	\$0	\$1,400,000
FUND FOR A HEALTHY MAINE TOTAL	\$0	\$1,400,000

Maine Center for Disease Control and Prevention 0143

Initiative: Restores funding for home visitation services.

FUND FOR A HEALTHY MAINE	2013-14	2014-15
All Other	\$0	\$5,700,000
FUND FOR A HEALTHY MAINE TOTAL	\$0	\$5,700,000

Maine Center for Disease Control and Prevention 0143

Initiative: Restores funding for Healthy Maine Partnerships.

FUND FOR A HEALTHY MAINE	2013-14	2014-15
All Other	\$0	\$4,600,000
FUND FOR A HEALTHY MAINE TOTAL	\$0	\$4,600,000

Medical Care - Payments to Providers 0147

Initiative: Allocates funds to support services provided under the MaineCare Benefits Manual, Chapter II, Section 29 for individuals on the waiting list for waiver services.

FEDERAL EXPENDITURES FUND	2013-14	2014-15
All Other	\$0	\$4,246,484
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$4,246,484

Medical Care - Payments to Providers 0147

Initiative: Allocates funds on an ongoing basis to support services provided under the MaineCare Benefits Manual, Chapter II, Section 21 for individuals on the waiting list for waiver services.

FEDERAL EXPENDITURES FUND	2013-14	2014-15
All Other	\$0	\$51,297,616
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$51,297,616

Medical Care - Payments to Providers 0147

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

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$11,700,000
GENERAL FUND TOTAL	\$0	\$11,700,000

FUND FOR A HEALTHY MAINE	2013-14	2014-15
All Other	\$0	(\$11,700,000)
FUND FOR A HEALTHY MAINE TOTAL	\$0	(\$11,700,000)

Medical Care - Payments to Providers 0147

Initiative: Restores funding for the Medicare savings program.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$4,900,000
GENERAL FUND TOTAL	\$0	\$4,900,000

FEDERAL EXPENDITURES FUND	2013-14	2014-15
All Other	\$0	\$7,926,386
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$7,926,386

Medical Care - Payments to Providers 0147

Initiative: Provides funding on an ongoing basis for the brain injury residential and community services waiver in the MaineCare program.

FEDERAL EXPENDITURES FUND	2013-14	2014-15
All Other	\$0	\$1,249,925
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$1,249,925

Medical Care - Payments to Providers 0147

Initiative: Provides funds on an ongoing basis to support services provided under the MaineCare Benefits Manual, Chapter II, Section 22, the physically disabled waiver.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$788,688
GENERAL FUND TOTAL	\$0	\$788,688

FEDERAL EXPENDITURES FUND	2013-14	2014-15
All Other	\$0	\$1,275,805
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$1,275,805

Nursing Facilities 0148

Initiative: Provides funding for increased reimbursements under the MaineCare program for nursing facilities.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$11,584,000
GENERAL FUND TOTAL	\$0	\$11,584,000

FEDERAL EXPENDITURES FUND	2013-14	2014-15
All Other	\$0	\$18,738,623

FEDERAL EXPENDITURES FUND TOTAL \$0 \$18,738,623

Temporary Assistance for Needy Families 0138

Initiative: Restores funding for child care rates.

FEDERAL BLOCK GRANT FUND	2013-14	2014-15
All Other	\$0	\$2,700,000
FEDERAL BLOCK GRANT FUND TOTAL	\$0	\$2,700,000

HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)		
DEPARTMENT TOTALS	2013-14	2014-15
GENERAL FUND	\$0	\$35,200,084
FEDERAL EXPENDITURES FUND	\$0	\$84,734,839
FUND FOR A HEALTHY MAINE	\$0	\$0
FEDERAL BLOCK GRANT FUND	\$0	\$3,814,544
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$123,749,467

JUDICIAL DEPARTMENT

Courts - Supreme, Superior and District 0063

Initiative: Provides funding to offset savings from eliminating certain longevity payments.

GENERAL FUND	2013-14	2014-15
Personal Services	\$201,087	\$0
GENERAL FUND TOTAL	\$201,087	\$0

JUDICIAL DEPARTMENT		
DEPARTMENT TOTALS	2013-14	2014-15
GENERAL FUND	\$201,087	\$0
DEPARTMENT TOTAL - ALL FUNDS	\$201,087	\$0

LEGISLATURE

Legislature 0081

Initiative: Provides funding to offset savings from eliminating certain longevity payments.

GENERAL FUND	2013-14	2014-15
Personal Services	\$2,771	\$0
GENERAL FUND TOTAL	\$2,771	\$0

LEGISLATURE		
DEPARTMENT TOTALS	2013-14	2014-15
GENERAL FUND	\$2,771	\$0
DEPARTMENT TOTAL - ALL FUNDS	\$2,771	\$0

SECTION TOTALS	2013-14	2014-15
GENERAL FUND	\$497,918	\$115,283,857
HIGHWAY FUND	\$70,600	\$0
FEDERAL EXPENDITURES FUND	\$0	\$84,734,839
FUND FOR A HEALTHY MAINE	\$0	\$0
FEDERAL BLOCK GRANT FUND	\$0	\$3,814,544
SECTION TOTAL - ALL FUNDS	\$568,518	\$203,833,240

PART II

Sec. II-1. 30-A MRSA §5681, sub-§5-C, as amended by PL 2013, c. 368, Pt. J, §1, is further amended to read:

5-C. Transfers to General Fund. For the months beginning on or after July 1, 2009, \$25,383,491 in fiscal year 2009-10, \$38,145,323 in fiscal year 2010-11, \$40,350,638 in fiscal year 2011-12, \$44,267,343 in fiscal year 2012-13, \$73,306,246 in fiscal year 2013-14 and ~~\$85,949,391~~\$34,949,391 in fiscal year 2014-15 from the total transfers pursuant to subsection 5 must be transferred to General Fund undedicated revenue. The amounts transferred to General Fund undedicated revenue each fiscal year pursuant to this subsection must be deducted from the distributions required by subsections 4-A and 4-B based on the percentage share of the transfers to the Local Government Fund pursuant to subsection 5. The reductions in this subsection must be allocated to each month proportionately based on the budgeted monthly transfers to the Local Government Fund as determined at the beginning of the fiscal year.'

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

SUMMARY

This amendment does the following.

Part AA repeals the changes in the income tax rates and brackets made by Public Law 2011, chapter 380, Part N and decreases the personal exemption amount to \$2,850.

Part BB reverts the estate tax to the rates in effect prior to 2013 and the exemption amount to \$1,000,000.

Part CC requires corporations that file unitary income tax returns in Maine to include income from certain jurisdictions outside the United States in net income when apportioning income among tax jurisdictions. The State Tax Assessor is required to adopt major substantive rules to determine the income or loss attributable to such corporations and to prevent double taxation or deduction of income.

Part DD makes the following changes to the Maine resident property tax fairness credit for tax years beginning on or after January 1, 2014:

1. It decreases the percentage by which the benefit base must exceed Maine adjusted gross income from 10% to 4%; and
2. It increases the maximum credit from \$300 for resident individuals under 70 years of age and \$400 for resident individuals at least 70 years of age to \$1,600, regardless of age.

Part EE increases the state earned income credit from 5% to 12.1% of the federal earned income credit and provides that the state earned income credit is fully refundable for tax years beginning on or after January 1, 2014.

Part FF authorizes the State Controller to transfer \$3,000,000 on July 1, 2014 from the unappropriated surplus of the General Fund to the Maine Clean Election Fund. It authorizes the Commission on Governmental Ethics and Election Practices to distribute, through rulemaking, the \$3,000,000 to certified legislative candidates in the 2014 general election.

Part GG provides funding for the noncumulative cost-of-living adjustment retirement benefit instead of funding it through a reserve funded by funds remaining after other certain obligations of the State have been met.

Part HH does the following:

1. Provides funding to offset savings from eliminating certain longevity payments in the executive, judicial and legislative branches;
2. Provides funds to reimburse local school administrative units for adjustments made to Title I revenues when calculating the total cost of kindergarten to grade 12 public education for each school administrative unit;
3. Provides funding on an ongoing basis for consumer-directed, home-based care;

4. Appropriates funds to support services provided under the MaineCare Benefits Manual, Chapter II, Section 21 for individuals on the waiting list for waiver services;

5. Provides funding on an ongoing basis for the brain injury residential and community services waiver in the MaineCare program;

6. Allocates funds for quality differential payments of 5% for Tier 2, 10% for Tier 3 and 25% for Tier 4 for child care services;

7. Appropriates funds for the Head Start program;

8. Provides funding on an ongoing basis for home-based care;

9. Provides funding on an ongoing basis for the independent support services, homemaker services, program;

10. Restores funding for the Low-cost Drugs To Maine's Elderly program;

11. Restores funding for home visitation services;

12. Restores funding for Healthy Maine Partnerships;

13. Restores funding for the Medicare savings program;

14. Provides funding for increased reimbursements under the MaineCare program for nursing facilities; and

15. Restores funding for child care rates.

Part II restores \$51,000,000 to state-municipal revenue sharing.

FISCAL NOTE REQUIRED
(See attached)