

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 Raise the Maximum 529 Plan Contribution Tax Deduction

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

Sec. 1. 36 MRSA §5122, sub-§2, ¶Y, as amended by PL 2007, c. 539, Pt. CCC, §6 and c. 689, §1 and affected by §4, is further amended to read:

Y. The portion of contributions to a qualified tuition program established under Section 529 of the Code up to \$250 per designated beneficiary. For tax years beginning on or after January 1, 2013, the maximum amount of the deduction allowed under this paragraph is \$1,000 per designated beneficiary. This deduction may not be claimed on returns when federal adjusted gross income exceeds \$100,000 for returns with a filing status of single or married filing separately or \$200,000 for returns with a filing status of married joint or head of household;

SUMMARY

This bill increases the maximum deduction for contributions to a qualified tuition program established under Section 529 of the United States Internal Revenue Code of 1986 to \$1,000 per designated beneficiary. The change applies to tax years beginning on or after January 1, 2013.