**An Act Regarding Higher Income Tax Levels**

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

**Sec.** **1. 36 MRSA §5111, sub-§1-F,** as enacted by PL 2015, c. 267, Pt. DD, §3, is amended to read:

**1-F.** **Single individuals and married persons filing separate returns; tax years** **beginning** **from 2017** **to 2020.**  For tax years beginning on or after January 1, 2017 but before January 1, 2021, for single individuals and married persons filing separate returns:

|  |  |
| --- | --- |
| If Maine taxable income is: | The tax is: |
| Less than $21,050 | 5.8% of the Maine taxable income |
| At least $21,050 but less than $50,000 | $1,221 plus 6.75% of the excess over $21,050 |
| $50,000 or more | $3,175 plus 7.15% of the excess over $50,000 |

**Sec.** **2. 36 MRSA §5111, sub-§1-G** is enacted to read:

**1-G.** **Single individuals and married persons filing separate returns; tax years** **beginning 2021.**  For tax years beginning on or after January 1, 2021, for single individuals and married persons filing separate returns:

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| --- | --- |
| If Maine taxable income is: | The tax is: |
| Less than $21,850 | 5.8% of the Maine taxable income |
| At least $21,850 but less than $51,700 | $1,267 plus 6.75% of the excess over $21,850 |
| At least $51,700 but less than $100,000 | $3,282 plus 7.15% of the excess over $51,700 |
| At least $100,000 but less than $250,000 | $6,736 plus 9.15% of the excess over $100,000 |
| At least $250,000 but less than $500,000 | $20,461 plus 10.15% of the excess over $250,000 |
| At least $500,000 but less than $1,000,000 | $45,836 plus 11.15% of the excess over $500,000 |
| At least $1,000,000 but less than  $10,000,000 | $101,586 plus 12.15% of the excess over $1,000,000 |
| $10,000,000 or more | $1,195,086 plus 13.15% of the excess over $10,000,000 |

**Sec.** **3. 36 MRSA §5111, sub-§2-F,** as enacted by PL 2015, c. 267, Pt. DD, §5, is amended to read:

**2-F.** **Heads of households; tax years beginning** **from 2017** **to 2020.**  For tax years beginning on or after January 1, 2017 but before January 1, 2021, for unmarried individuals or legally separated individuals who qualify as heads of households:

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| If Maine taxable income is: | The tax is: |
| Less than $31,550 | 5.8% of the Maine taxable income |
| At least $31,550 but less than $75,000 | $1,830 plus 6.75% of the excess over $31,550 |
| $75,000 or more | $4,763 plus 7.15% of the excess over $75,000 |

**Sec.** **4. 36 MRSA §5111, sub-§2-G** is enacted to read:

**2-G.** **Heads of households; tax years beginning 2021.**  For tax years beginning on or after January 1, 2021, for unmarried individuals or legally separated individuals who qualify as heads of households:

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| If Maine taxable income is: | The tax is: |
| Less than $32,750 | 5.8% of the Maine taxable income |
| At least $32,750 but less than $77,550 | $1,900 plus 6.75% of the excess over $32,750 |
| At least $77,550 but less than $150,000 | $4,924 plus 7.15% of the excess over $77,550 |
| At least $150,000 but less than $375,000 | $10,104 plus 9.15% of the excess over $150,000 |
| At least $375,000 but less than $750,000 | $30,691 plus 10.15% of the excess over $375,000 |
| At least $750,000 but less than $1,500,000 | $68,754 plus 11.15% of the excess over $750,000 |
| At least $1,500,000 but less than $15,000,000 | $152,379 plus 12.15% of the excess over $15,000,000 |
| $15,000,000 or more | $1,792,629 plus 13.15% of the excess over $15,000,000 |

**Sec.** **5. 36 MRSA §5111, sub-§3-F,** as enacted by PL 2015, c. 267, Pt. DD, §7, is amended to read:

**3-F.** **Individuals filing married joint returns or surviving spouses; tax years** **beginning** **from 2017** **to 2020.**  For tax years beginning on or after January 1, 2017 but before January 1, 2021, for individuals filing married joint returns or surviving spouses permitted to file a joint return:

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| --- | --- |
| If Maine taxable income is: | The tax is: |
| Less than $42,100 | 5.8% of the Maine taxable income |
| At least $42,100 but less than $100,000 | $2,442 plus 6.75% of the excess over $42,100 |
| $100,000 or more | $6,350 plus 7.15% of the excess over $100,000 |

**Sec.** **6. 36 MRSA §5111, sub-§3-G** is enacted to read:

**3-G.** **Individuals filing married joint returns or surviving spouses; tax years** **beginning 2021.**  For tax years beginning on or after January 1, 2021, for individuals filing married joint returns or surviving spouses permitted to file a joint return:

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| --- | --- |
| If Maine taxable income is: | The tax is: |
| Less than $43,700 | 5.8% of the Maine taxable income |
| At least $43,700 but less than $103,400 | $2,535 plus 6.75% of the excess over $43,700 |
| At least $103,400 but less than $200,000 | $6,564 plus 7.15% of the excess over $103,400 |
| At least $200,000 but less than $500,000 | $13,471 plus 9.15% of the excess over $200,000 |
| At least $500,000 but less than $1,000,000 | $40,921 plus 10.15% of the excess over $500,000 |
| At least $1,000,000 but less than $2,000,000 | $91,671 plus 11.15% of the excess over $1,000,000 |
| At least $2,000,000 but less than $20,000,000 | $203,171 plus 12.15% of the excess over $2,000,000 |
| $20,000,000 or more | $2,390,171 plus 13.15% of the excess over $20,000,000 |

**SUMMARY**

This bill establishes 5 new tax brackets for income exceeding $100,000 for persons filing as single individuals or married individuals filing separately, $150,000 for individuals filing as head of household and $200,000 for individuals filing married joint returns or surviving spouses.