



130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 978

H.P. 724

House of Representatives, March 9, 2021

An Act To Create an Access to Justice Income Tax Credit

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "R. B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative HEPLER of Woolwich.
Cosponsored by Senator BAILEY of York and
Representatives: CARDONE of Bangor, HASENFUS of Readfield, Senator: STEWART of
Aroostook.

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

2 **Sec. 1. 36 MRSA §191, sub-§2, ¶MMM** is enacted to read:

3 MMM. The disclosure to the Supreme Judicial Court of information required to make
4 the report required under section 5219-YY, subsection 5.

5 **Sec. 2. 36 MRSA §5219-YY** is enacted to read:

6 **§5219-YY. Access to justice credit**

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

9 A. "Court" means the Supreme Judicial Court or its designee.

10 B. "Eligible attorney" means a person eligible to practice law in the State under Title
11 4, chapter 17 who, after January 1, 2022:

12 (1) Agrees to practice law in a private practice setting in an underserved area for
13 at least 5 years by joining an existing legal practice, establishing a new legal
14 practice or purchasing an existing legal practice;

15 (2) Is rostered by the Maine Commission on Indigent Legal Services to accept
16 court appointments to represent clients in an underserved area;

17 (3) Agrees to perform pro bono legal services in an underserved area; and

18 (4) Is certified by the court under subsection 3 to be eligible for the credit under
19 this section.

20 C. "Underserved area" means an area in the State that is determined by the court to be
21 an area where there is insufficient access to legal services. When identifying
22 underserved areas, the court shall take into consideration the ratio of the number of
23 attorneys to the population.

24 **2. Credit.** For tax years beginning on or after January 1, 2022, an eligible attorney is
25 allowed a credit for each taxable year, not to exceed \$6,000, against the taxes due under
26 this Part. The credit may be claimed in the first year that the eligible attorney meets the
27 conditions of eligibility for at least 6 months and in each of the 4 subsequent years.

28 **3. Eligibility limitation; certification.** The court may certify up to 5 eligible attorneys
29 in each year from 2022 through 2027. Additional attorneys may not be certified after 2027.
30 The court shall annually, at year-end, verify that certified attorneys continue to be eligible
31 for the credit under this section and shall decertify any attorney who ceases to meet the
32 conditions of eligibility. The court shall notify the bureau whenever an attorney is certified
33 or decertified. A decertified attorney ceases to be eligible for the credit under this section
34 beginning with the tax year during which the attorney is decertified.

35 **4. Rules.** The court shall adopt rules to implement this section.

36 **5. Report; review.** By February 15, 2027, the court shall submit to the joint standing
37 committee of the Legislature having jurisdiction over taxation matters a report that
38 identifies the number of eligible attorneys claiming the credit under this section each year
39 in which the credit is available and identifies the underserved areas where those attorneys
40 practice. The committee shall review the report and determine the effectiveness of the credit

1 in expanding legal services to underserved areas. The committee may submit legislation
2 to the First Regular Session of the 133rd Legislature related to the report.

3 **SUMMARY**

4 This bill provides an income tax credit for 5 years for attorneys who practice law in the
5 State and agree to practice for at least 5 years in an underserved area of the State as
6 determined by the Supreme Judicial Court. Eligibility for the credit is open from 2022
7 through 2027. The court may certify up to 5 eligible attorneys each year. The joint standing
8 committee of the Legislature having jurisdiction over taxation matters is directed to review
9 the effectiveness of the credit and may submit legislation to extend or revise it.