

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36

Date: (Filing No. H- )

Reproduced and distributed under the direction of the Clerk of the House.

**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
128TH LEGISLATURE  
SECOND REGULAR SESSION**

HOUSE AMENDMENT “ ” to COMMITTEE AMENDMENT “A” to H.P. 1057, L.D. 1537, Bill, “An Act To Replace the Educational Opportunity Tax Credit with the Student Loan Repayment Credit for Maine Residents”

Amend the amendment by striking out all of the first and 2nd paragraphs after the title (page 1, lines 12 to 15 in amendment) and inserting the following:

'Amend the bill by striking out all of sections 2 and 3 (page 1, lines 8 to 19 in L.D.) and inserting the following:

**'Sec. 2. 20-A MRSA §12541, sub-§8,** as enacted by PL 2013, c. 525, §5, is amended to read:

**8. Qualified employee.** "Qualified employee" has the same meaning as in Title 36, section 5217-D, subsection 1, paragraph E, except that for tax years beginning on or after January 1, 2019, "qualified employee" has the same meaning as in Title 36, section 5217-E, subsection 1, paragraph G.

**Sec. 3. 20-A MRSA §12541, sub-§9,** as enacted by PL 2013, c. 525, §6, is amended to read:

**9. Qualified individual.** "Qualified individual" has the same meaning as in Title 36, section 5217-D, subsection 1, paragraph G, except that for tax years beginning on or after January 1, 2019, "qualified individual" has the same meaning as in Title 36, section 5217-E, subsection 1, paragraph H.'

Amend the amendment on page 3 by inserting after the 3rd indented paragraph the following:

'Amend the bill in section 5 in §5217-E in subsection 1 in paragraph D in the 7th line (page 2, line 9 in L.D.) by inserting after the following: "portion of the" the following: 'education' '

Amend the amendment on page 3 by inserting after division (c) the following:

'Amend the bill in section 5 in §5217-E in subsection 2 by striking out all of paragraphs A and B (page 3, lines 19 to 28 in L.D.) and inserting the following:

'A. A taxpayer may claim a credit based on loan payments actually made to a relevant lender or lenders under this section only with respect to eligible education

**HOUSE AMENDMENT**

1 loan payment amounts paid by the taxpayer during that part of the taxable year that  
2 the qualified individual worked in this State. Forbearance or deferment of loan  
3 payments does not affect eligibility for the credit under this section. An individual  
4 who worked in this State for any part of a month of the taxable year is considered to  
5 have worked in this State for the entire month.

6 B. The credit under this section may not reduce the tax otherwise due under this Part  
7 to less than zero except that, until the tax year beginning after December 31, 2020,  
8 the credit under this section is refundable to the extent the credit is based on eligible  
9 education loans for which a refundable credit was obtained under section 5217-D,  
10 subsection 3. For tax years beginning on or after January 1, 2021, the credit under  
11 this section may not reduce the tax otherwise due under this Part to less than zero.

12 C. A taxpayer entitled to a credit for any taxable year may carry over and apply to  
13 tax liability for any one or more of the next succeeding 5 years the portion, as  
14 reduced from year to year, of any unused credits.'

15 Amend the amendment on page 3 in the 5th indented paragraph in the last line (page  
16 3, line 23 in amendment) by striking out the following: "paragraph B (page 3, lines 34 to  
17 36 in L.D.)" and inserting the following: 'paragraphs A and B (page 3, lines 31 to 36 in  
18 L.D.)'

19 Amend the amendment on page 3 by inserting after the 5th indented paragraph the  
20 following:

21 'A. The amount paid on eligible education loans during the taxable year; and'

22 **SUMMARY**

23 This amendment provides that the annual credit may include loan amounts paid in  
24 excess of the amount due during a taxable year. The amendment also provides that  
25 credits in excess of those that may be used during a taxable year may be carried over for  
26 the next succeeding 5 years. This amendment also allows for the refundability of the new  
27 credit for those loans for which a refundable credit was available under the current credit  
28 for educational opportunity, such as loans to obtain an associate's or bachelor's degree in  
29 science, technology, engineering or mathematics. The refundability for all loans ends  
30 beginning with the tax year beginning January 1, 2021.

31 This amendment also makes technical corrections.

32 **SPONSORED BY:** \_\_\_\_\_

33 **(Representative POULIOT)**

34 **TOWN: Augusta**