



# HOUSE OF REPRESENTATIVES

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Testimony on

**LD 1231, “An Act to Bring Fairness in Income Taxes to Maine Families by Adjusting the Tax Brackets”**

Joint Standing Committee on Taxation  
Wednesday, May 3 2023

Senator Grohoski, Representative Perry and honorable members of the Joint Standing Committee on Taxation. I’m Micky Carmichael and I proudly serve House District 18. I am here to present my bill, LD 1231, “An Act to Bring Fairness in Income Taxes to Maine Families by Adjusting the Tax Brackets.”

Since 2019, we have seen our economic conditions shift more than any other time in my life. It takes \$1.18 to equal \$1.00 in 2019. Federal economic and energy policies have increased the burdens on average Maine families while creating a great deal of anxiety about the future.

For single or married filing separate returns in Maine, the taxable income is less than \$24,500 with a rate of 5.8%. If it’s more than \$24,500 but less than \$58,050 the tax is \$1,421 plus 6.75% of the amount over \$24,500. If it is \$58,050 or more it’s \$3,686 plus 7.15 of the amount over.

Standard deduction=\$13,850  
MJ=\$27,700  
HH=\$20,800

If you take the \$24,500 (lowest bracket) and add the standard deduction of \$13,800, you come up with a total of \$38,350 or \$737.50 total gross earnings weekly or \$18.50 per hour.

This is the maximum you can make without being bumped to the higher tax bracket. I do not believe this is compatible to today’s economic conditions.

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As an example, if we move that amount to \$34,500 and add the \$13,850 standard deduction which would be a gross income of \$48,350. \$929.80 or \$23.25 hourly. This seems to be a more livable wage.

I will have complete tables and tax liabilities available for the work session.

Thank you and I'll be happy to answer any questions you may have.