

§11479. Tax exemption

The assets of the program fund, all program earnings and any income from operations are exempt from all taxation by the State or any of its political subdivisions. A deposit to any account, transfer of that account to a successor participant, designation of a successor beneficiary of that account, credit of program earnings to that account or qualified distribution from that account used for the purpose of paying higher education expenses pursuant to this chapter, as long as that distribution does not exceed the limits established in Section 529 of the federal Internal Revenue Code of 1986, as amended, or rollover distributions permitted under Section 529 of the federal Internal Revenue Code of 1986, as amended, does not subject that participant, the estate of that participant or any beneficiary to any state income or estate tax liability. In the event of cancellation or termination of a participation agreement and distribution of funds to a participant, the increase in value over the amount deposited in the program fund by that participant may be taxable to that participant in the year distributed. [PL 2021, c. 17, §7 (AMD).]

SECTION HISTORY

PL 1997, c. 732, §4 (NEW). PL 2017, c. 474, Pt. F, §6 (AMD). PL 2021, c. 17, §7 (AMD).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 131st Maine Legislature and is current through January 1, 2025. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.