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## **An Act To Reduce the Income Tax for Low-income Families**

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

**Sec. 1. 36 MRSA §5219-N, sub-§1**, as amended by PL 2003, c. 390, §48, is repealed and the following enacted in its place:

**1. Generally.** Except as provided in subsection 2, the following individuals are allowed a credit equal to the tax otherwise imposed on those individuals by this Part:

A. An individual whose Maine taxable income determined as if the individual were a resident individual for the entire year is \$2,000 or less; and

B. A resident individual whose federal adjusted gross income is \$15,000 or less.

In no case may this credit reduce the Maine income tax to less than zero.

**Sec. 2. Application.** This Act applies to tax years beginning on or after January 1, 2011.

### **SUMMARY**

This bill provides a credit for an individual who is a resident of Maine and whose federal adjusted gross income is \$15,000 or less for the entire year, reducing the individual's income tax liability to zero.