

**OFFICE OF FISCAL AND PROGRAM REVIEW**

Date: March 20, 2013  
To: Members, Joint Standing Committee on Taxation  
From: Elizabeth Cooper, Legislative Analyst *EC*  
Re: Amendment Review - LD 436

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An amendment and fiscal note for LD 436 are attached for your review.

**LD 436, An Act To Raise the Maximum 529 Plan Contribution Tax Deduction**

- The Committee voted on March 1, 2013 with a unanimous report of OTPA.
- The amendment changes the amount of the increased deduction to \$500; the original bill proposed increasing the deduction from \$250 to \$1,000.
- The fiscal note indicates a reduction in General Fund revenue and municipal revenue sharing.

Please let me know if you have any questions or concerns about this amendment.

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Date: (Filing No. S- )

**TAXATION**

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**STATE OF MAINE  
SENATE  
126TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 168, L.D. 436, Bill, “An Act To Raise the Maximum 529 Plan Contribution Tax Deduction”

Amend the bill in section 1 in paragraph Y in the 4th line (page 1, line 7 in L.D.) by striking out the following: "\$1,000" and inserting the following: '\$500'

**SUMMARY**

This amendment changes the increase in the maximum deduction for contributions to a qualified tuition program established under Section 529 of the United States Internal Revenue Code of 1986 to \$500 per designated beneficiary. The bill proposes an increase from \$250 to \$1,000 for tax years starting on or after January 1, 2013.

**FISCAL NOTE REQUIRED**

(See attached)

**COMMITTEE AMENDMENT**



# 126th MAINE LEGISLATURE

LD 436

LR 609(02)

## An Act To Raise the Maximum 529 Plan Contribution Tax Deduction

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

	FY 2013-14	FY 2014-15	Projections FY 2015-16	Projections FY 2016-17
<b>Net Cost (Savings)</b>				
General Fund	\$277,400	\$233,700	\$245,100	\$257,450
<b>Revenue</b>				
General Fund	(\$277,400)	(\$233,700)	(\$245,100)	(\$257,450)
Other Special Revenue Funds	(\$14,600)	(\$12,300)	(\$12,900)	(\$13,550)

#### Fiscal Detail and Notes

This bill reduces General Fund revenue and Municipal Revenue Sharing due to increasing the maximum deduction to \$500 per designated beneficiary for contributions made to a qualified tuition program established under Section 529 of the United States Internal Revenue Code of 1986.