

LD 1120
LR 1705()
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PROPOSED COMMITTEE AMENDMENT

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COMMITTEE AMENDMENT “ “ to LD 1120, An Act To Improve Maine’s
Tax Laws

Amend the bill by striking everything after the enacting clause and substituting the following:

Sec. 1. 36 MRSA §5200, sub-§5 is repealed and the following enacted in its place:

5. Net income. For purposes of this section, “net income” means, for any taxable year the total of the following as modified by section 5200-A:

A. The taxable income of the taxpayer for that taxable year under the laws of the United States; and

B. The taxable income or loss of any corporation that is a member of a unitary group and that is incorporated in any of the following jurisdictions: Andorra, Anguilla, Antigua and Barbuda, Aruba, the Bahamas, Bahrain, Barbados, Belize, Bermuda, the British Virgin Islands, the Cayman Islands, the Cook Islands, Cyprus, Dominica, Gibraltar, Grenada, Guernsey-Sark-Alderney, the Isle of Man, Jersey, Liberia, Liechtenstein, Luxembourg, Malta, the Marshall islands, Mauritius, Monaco, Montserrat, Nauru, the Netherlands Antilles, Niue, Samoa, San Marino, Seychelles, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, the Turks and Caicos Islands, the United States Virgin Islands and Vanuatu.

Sec. 2. Rules. The State Tax Assessor shall adopt rules to determine the income or loss for a corporation that is a member of a unitary group that is not otherwise required to file a consolidated federal return and to prevent double taxation or double deduction of any amount included in the computation of net income under the Maine Revised Statutes, Title 36, section 5200, subsection 5.

Sec. 3. Application. This Act applies to tax years beginning on or after January 1, 2014.

Summary

This amendment requires corporations who file income tax returns in Maine to include income from certain jurisdictions outside the United States in net income. The State Tax Assessor is required to adopt rules to determine the income or loss attributable to such corporations and to prevent double taxation or deduction of income.