



# 130th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2021

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Legislative Document

No. 570

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H.P. 415

House of Representatives, February 24, 2021

**An Act To Provide for Fairness in the Taxation of Extraordinary and Unearned Income by Establishing a 3 Percent Surcharge on Net Capital Gains and Dividends Income over \$250,000 for Taxpayers Filing Single or Married Separate Returns and over \$500,000 for Taxpayers Filing Joint Returns**

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Received by the Clerk of the House on February 22, 2021. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative BERRY of Bowdoinham.  
Cosponsored by Senator CHIPMAN of Cumberland and  
Representatives: CARDONE of Bangor, COLLINGS of Portland, DUNPHY of Old Town,  
KESSLER of South Portland, TALBOT ROSS of Portland, Senator: SANBORN of  
Cumberland.

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

2 **Sec. 1. 36 MRSA §5111, sub-§7** is enacted to read:

3 **7. Tax surcharge; net capital gains and dividends.** For tax years beginning on or  
4 after January 1, 2021, in addition to any other tax imposed by this chapter, for taxpayers  
5 whose Maine taxable income exceeds the threshold amount, a tax at the rate of 3% is  
6 imposed on that portion of the taxpayer's Maine taxable income equal to the lesser of:

7 A. The taxpayer's Maine taxable income from net capital gains and dividends; and

8 B. The taxpayer's Maine taxable income that exceeds the threshold amount.

9 For the purposes of this subsection, "threshold amount" means: for taxpayers filing as  
10 single individuals or married persons filing separate returns, \$250,000; for taxpayers filing  
11 as heads of households, \$375,000; and for taxpayers filing married joint returns or as  
12 surviving spouses, \$500,000.

13 **SUMMARY**

14 This bill imposes an income tax surcharge on the portion of a taxpayer's taxable income  
15 that exceeds the lesser of the taxpayer's taxable income from net capital gains and dividends  
16 and the amount by which the taxpayer's taxable income exceeds \$250,000 for persons filing  
17 returns as single individuals or married individuals filing separately, \$375,000 for persons  
18 filing returns as heads of households or \$500,000 for persons filing married joint returns or  
19 as surviving spouses.