

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

Date: (Filing No. H-)

Reproduced and distributed under the direction of the Clerk of the House.

**STATE OF MAINE
HOUSE OF REPRESENTATIVES
125TH LEGISLATURE
FIRST REGULAR SESSION**

HOUSE AMENDMENT “ ” to COMMITTEE AMENDMENT “A” to H.P. 432, L.D. 549, Bill, “An Act Regarding the Recognition of Corporate Entities for Tax Purposes”

Amend the amendment by striking out all of the first indented paragraph (page 1, lines 11 to 13 in amendment) and inserting the following:

'Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

'Sec. 1. 36 MRSA §5202-D is enacted to read:

§5202-D. Corporate entities

1. Recognition of income. A corporate entity formed in accordance with Title 13, Title 13-B or Title 13-C, or under similar provisions of the laws of another state, must be recognized for purposes of this Part if it either:

A. Has a business purpose; or

B. Conducts business activity.

2. Owner of income of corporation. A corporate entity recognized under subsection 1 must be regarded as the true owner of all income paid or payable to the entity, including, but not limited to, any distributive share income paid or payable to the entity.'

SUMMARY

This amendment reallocates the provisions of the bill regarding recognition of corporate entities to the Maine Revised Statutes, Title 36, Part 8, which deals with income taxes, and specifies that the provisions regarding recognition of income apply

HOUSE AMENDMENT “ ” to COMMITTEE AMENDMENT “A” to H.P. 432, L.D. 549

1 only for purposes of income tax.

2 This amendment also incorporates the change made by Committee Amendment "A."

3 **SPONSORED BY:** _____

4 **(Representative KNIGHT)**

5 **TOWN: Livermore Falls**