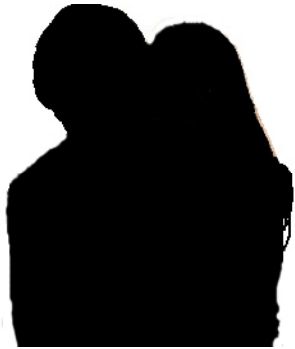







## The Tax Reform and Relief Plan at work: Cutting Taxes for Maine people

Information provided by Maine Revenue Services, materials prepared by the House Majority Office

Examples	Income Tax Rate Change	Estimated OVERALL Savings
<b>1 - An elderly couple on a fixed income</b>		
	<p><b>Income: \$27,500</b> (file jointly &amp; take standard credit)</p> <p>Income taxes under current law: \$207</p> <p>Income taxes under the proposal: \$-33</p> <p><b>Effective Income Tax Rate: -.12%</b></p>	<p>Income Tax Reduction: \$240</p> <p>Extra Sales Tax: -\$ 91</p> <hr/> <p><b>Total Tax Reduction: \$149</b></p>
<b>2 - A single elderly person on a fixed income</b>		
	<p><b>Income: \$15,000</b> (takes standard credit)</p> <p>Income taxes under current law: \$104</p> <p>Income taxes under the proposal: \$-35</p> <p><b>Effective Income Tax Rate: -.23%</b></p>	<p>Income Tax Reduction: \$139</p> <p>Extra Sales Tax: -\$ 52</p> <hr/> <p><b>Total Tax Reduction: \$ 87</b></p>
<b>3 - A married couple with three dependent children</b>		
	<p><b>Income: \$37,500</b> (file jointly &amp; take standard credit)</p> <p>Income taxes under current law: \$371</p> <p>Income taxes under the proposal: \$-13</p> <p><b>Effective Income Tax Rate: -.03%</b></p>	<p>Income Tax Reduction: \$384</p> <p>Extra Sales Tax: -\$ 93</p> <hr/> <p><b>Total Tax Reduction: \$291</b></p>

The tax plan cuts income taxes for almost all Mainers, and will save Maine taxpayers  
**\$55 million each year.**

Examples	Income Tax Rate Change	Estimated OVERALL Savings
<b>4 - A married couple with no children</b>		
	<p><b>Income: \$95,000</b> (file jointly and take itemized credit based on Federal itemized deduction of \$22,000)</p> <p>Income taxes under current law: \$4,794</p> <p>Income taxes under the proposal: \$4,529</p> <p><b>Effective Income Tax Rate: 4.76%</b></p>	<p>Income Tax Reduction: \$266 Extra Sales Tax: -\$149</p> <hr/> <p><b>Total Tax Reduction: \$117</b></p>
<b>5 - A married couple with two dependent children</b>		
	<p><b>Income: \$80,000</b> (file jointly and take standard credit)</p> <p>Income taxes under current law: \$3,690</p> <p>Income taxes under the proposal: \$3,375</p> <p><b>Effective Income Tax Rate: 4.21%</b></p>	<p>Income Tax Reduction: \$315 Extra Sales Tax: -\$137</p> <hr/> <p><b>Total Tax Reduction: \$178</b></p>
<b>6 - A single Mainer with no dependent children</b>		
	<p><b>Income: \$50,000</b> (takes standard credit)</p> <p>Income taxes under current law: \$2,857</p> <p>Income taxes under the proposal: \$2,637</p> <p><b>Effective Income Tax Rate: 5.27%</b></p>	<p>Income Tax Reduction: \$220 Extra Sales Tax: -\$ 92</p> <hr/> <p><b>Total Tax Reduction: \$128</b></p>

The tax plan cuts income taxes for almost all Mainers, and will save Maine taxpayers **\$55 million each year.**