



# 130th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2021

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Legislative Document

No. 288

S.P. 124

In Senate, February 3, 2021

**An Act To Conform the Maine Income Tax Law with Federal Law  
To Exempt Paycheck Protection Program Loans from Being  
Considered Taxable Income**

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Received by the Secretary of the Senate on February 1, 2021. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator DILL of Penobscot.  
Cosponsored by Representative PLUECKER of Warren and  
Senators: DIAMOND of Cumberland, SANBORN of Cumberland, TIMBERLAKE of  
Androscoggin, Representatives: HALL of Wilton, ROBERTS of South Berwick.

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

2 **Sec. 1. 36 MRSA §5122, sub-§2, ¶UU** is enacted to read:

3 UU. For tax years beginning on or after January 1, 2020, an amount equal to the  
4 amount of income attributable to paycheck protection program loan forgiveness  
5 excluded from federal gross income under Section 1106(i) of the federal Coronavirus  
6 Aid, Relief, and Economic Security Act, Public Law 116-136.

7 **Sec. 2. 36 MRSA §5200-A, sub-§2, ¶HH** is enacted to read:

8 HH. For tax years beginning on or after January 1, 2020, an amount equal to the  
9 amount of income attributable to paycheck protection program loan forgiveness  
10 excluded from federal gross income under Section 1106(i) of the federal Coronavirus  
11 Aid, Relief, and Economic Security Act, Public Law 116-136.

12 **SUMMARY**

13 This bill conforms Maine tax law to federal income tax treatment of loan forgiveness  
14 under Section 1106(i) of the federal Coronavirus Aid, Relief, and Economic Security Act,  
15 Public Law 116-136, by providing an income tax exclusion for income attributable to  
16 paycheck protection program loan forgiveness that is excluded from federal gross income.