



# 125th MAINE LEGISLATURE

LD 9

LR 16(01)

## An Act To Reduce Income Tax to 4.5% and Remove Low-income Families from Taxation

### Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Courtney of York

Committee: Taxation

Fiscal Note Required: Yes

### Preliminary Fiscal Impact Statement

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$89,957,989	\$137,948,921	\$77,150,272
<b>Transfers</b>				
General Fund	\$0	(\$89,957,989)	(\$137,948,921)	(\$77,150,272)

#### Fiscal Detail and Notes

Based on budgeted General Fund revenue estimates, this bill would transfer \$89,957,989 at the close of fiscal year 2012-13 to the Tax Relief Fund for Maine Residents to provide funding for individual income tax reductions. The estimated transfers in the 2014-2015 biennium are \$137,948,921 in fiscal year 2013-14 and \$77,150,272 in fiscal year 2014-15. These estimates are based on budgeted revenue; actual transfers at the close of each fiscal year will be based on actual revenue collections. The reductions to budgeted General Fund resources will need to be adjusted at the close of each fiscal year either upward or downwards depending on the revenue variance for that fiscal year.