



125th MAINE LEGISLATURE

LD 42

LR 576(01)

An Act Regarding the Tax on Fuel Used for Commercial Agriculture, Fishing and Forestry

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Edgecomb of Caribou

Committee: Taxation

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	\$1,023,075	\$1,500,000	\$1,500,000	\$1,500,000
Highway Fund	\$198,000	\$300,000	\$300,000	\$300,000
Appropriations/Allocations				
General Fund	\$33,075	\$0	\$0	\$0
Revenue				
General Fund	(\$990,000)	(\$1,500,000)	(\$1,500,000)	(\$1,500,000)
Highway Fund	(\$198,000)	(\$300,000)	(\$300,000)	(\$300,000)

Fiscal Detail and Notes

Diminishing the existing rebate on the excise tax levied on fuel purchases for commercial fishing, forestry or agriculture will raise revenue to the General Fund and the Highway Fund. Eliminating the existing sales and use tax imposed on such fuel purchases will reduce revenues, which in turn will result in a net loss to the General Fund and the Highway Fund. This bill will also require certain one-time expenditures for the creation of a new refund application to modify computer systems and to notify approximately 5,500 accounts of the changes to the rebate and refund system.