

**126th MAINE LEGISLATURE****LD 1762****LR 2721(10)****An Act Related to the Report of the Tax Expenditure Review Task Force****Fiscal Note for Senate Amendment " " to Original Bill****Sponsor: Sen. Woodbury of Cumberland****Fiscal Note Required: Yes****Fiscal Note**

| | FY 2013-14 | FY 2014-15 | Projections FY 2015-16 | Projections FY 2016-17 |
|-----------------------------------|-------------------|-------------------|-----------------------------------|-----------------------------------|
| Net Cost (Savings) | | | | |
| General Fund | \$0 | \$39,738,110 | (\$105,077,165) | (\$74,277,188) |
| Appropriations/Allocations | | | | |
| General Fund | \$0 | \$0 | \$96,000,000 | \$130,688,000 |
| Revenue | | | | |
| General Fund | \$0 | (\$14,738,110) | \$201,077,165 | \$204,965,188 |
| Other Special Revenue Funds | \$0 | (\$775,690) | (\$156,381,280) | (\$149,612,814) |
| Transfers | | | | |
| General Fund | \$0 | (\$25,000,000) | \$0 | \$0 |

Fiscal Detail and Notes

This amendment increases the General Fund cost of the bill by \$39,738,110 in fiscal year 2014-15, and reduces the General Fund cost of the bill by \$105,077,165 in fiscal year 2015-16 and \$74,277,188 in fiscal year 2016-17. It eliminates the transfers from the Maine Budget Stabilization Fund and the Tax Relief Fund to the General Fund unappropriated surplus contained in the bill. It increases the homestead property tax exemption from \$10,000 to \$50,000 or 50% of the just value of the homestead, requiring a General Fund appropriation to the Department of Administrative Services of \$96,000,000 in fiscal year 2015-16 and \$130,688,000 in fiscal year 2016-17. It also makes the following changes to General Fund revenue and transfers for Municipal Revenue Sharing and Tourism.

| | FY 2013-14 | FY 2014-15 | FY 2015-16 | FY 2016-17 |
|---|-------------------|-------------------|-------------------|-------------------|
| Expand the sales tax base to certain services | | | | |
| - General Fund | \$0 | \$15,530,790 | \$25,650,000 | \$26,640,000 |

| | | | | |
|--|-----|----------------|-----------------|-----------------|
| - Municipal Revenue Sharing | \$0 | \$817,410 | \$0 | \$0 |
| Increase sales tax on prepared meals and lodging | | | | |
| - General Fund | \$0 | \$6,515,100 | \$48,674,245 | \$48,656,288 |
| - Municipal Revenue Sharing | \$0 | \$342,900 | \$0 | \$0 |
| - Tourism | | \$0 | \$325,755 | \$2,433,712 |
| Change the formula for the property tax fairness credit | | | | |
| - General Fund | \$0 | (\$36,784,000) | (\$29,954,115) | (\$22,377,626) |
| - Municipal Revenue Sharing | | (\$1,936,000) | 0 | 0 |
| Repeals municipal revenue sharing effective July 1, 2015 | | | | |
| - General Fund | \$0 | \$0 | \$156,724,180 | \$152,062,814 |
| - Municipal Revenue Sharing | | \$0 | (\$156,724,180) | (\$152,062,814) |