



128th MAINE LEGISLATURE

LD 513

LR 998(03)

An Act To Eliminate the State Income Tax for Maine Public Employees Retirement System Pensions

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

| | FY 2017-18 | FY 2018-19 | Projections FY 2019-20 | Projections FY 2020-21 |
|-----------------------------|----------------|----------------|---------------------------|---------------------------|
| Net Cost (Savings) | | | | |
| General Fund | \$20,251,700 | \$28,118,160 | \$41,470,350 | \$58,325,250 |
| Revenue | | | | |
| General Fund | (\$20,251,700) | (\$28,118,160) | (\$41,470,350) | (\$58,325,250) |
| Other Special Revenue Funds | (\$603,210) | (\$1,074,050) | (\$2,993,005) | (\$4,319,900) |

Fiscal Detail and Notes

This bill increases the pension deduction from \$10,000 to \$35,000 over a 5 year period. It would result in a loss of General Fund revenue of \$20,251,700 in fiscal year 2017-18 and \$28,118,160 in fiscal year 2018-19 and a loss of Local Government Fund revenue of \$413,210 in fiscal year 2017-18 and \$574,050 in fiscal year 2018-19. It would also reduce revenue to the Fund to Advance Public Kindergarten to Grade 12 Education by \$190,000 in fiscal year 2017-18 and \$500,000 in fiscal year 2018-19.