



128th MAINE LEGISLATURE

LD 1247

LR 728(02)

An Act To Repeal the Income Tax on Pick-up Contributions Paid to the Maine Public Employees Retirement System and To Clarify the Taxation of Pick-up Contributions Distributed in the Form of a Rollover

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	\$3,329,000	\$11,372,000	\$11,528,000	\$11,922,000
Revenue				
General Fund	(\$3,329,000)	(\$11,372,000)	(\$11,528,000)	(\$11,922,000)
Other Special Revenue Funds	(\$133,000)	(\$365,000)	(\$745,000)	(\$770,000)

Fiscal Detail and Notes

This bill repeals the individual income tax addition modification for state contributions to the retirement system on behalf of the taxpayer and makes changes to the subtraction modification for pick-up contributions distributed to the taxpayer in the form of a rollover. It would result in a loss of General Fund revenue of \$3,329,000 in fiscal year 2017-18 and \$11,372,000 in fiscal year 2018-19 and a loss of Local Government Fund revenue of \$68,000 in fiscal year 2017-18 and \$232,000 in fiscal year 2018-19. It would also reduce revenue to the Fund to Advance Public Kindergarten to Grade 12 Education by \$65,000 in fiscal year 2017-18 and by \$133,000 in fiscal year 2018-19.