



129th MAINE LEGISLATURE

LD 1671

LR 642(03)

An Act To Amend the Laws Governing the Maine Capital Investment Credit To Ensure Fairness for Maine Businesses and To Reduce Taxes on Lower-income Working Families

Fiscal Note for Bill as Engrossed with:

C "A" (H-623)

Committee: Taxation

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	(\$1,942,791)	(\$3,944,155)	(\$563,821)	\$3,296,356
Appropriations/Allocations				
General Fund	\$109,209	\$107,595	\$110,679	\$113,856
Revenue				
General Fund	\$2,052,000	\$4,051,750	\$674,500	(\$3,182,500)
Other Special Revenue Funds	\$108,000	\$213,250	\$35,500	(\$167,500)

Fiscal Detail and Notes

The bill makes changes to the Maine Capital Investment Credit, increases the earned income tax credit rate and expands eligibility for the earned income tax credit and would result in an increase in General Fund revenue of \$2,052,000 in fiscal year 2019-20 and \$4,051,750 in fiscal year 2020-21. It would also increase Local Government Fund revenue by \$108,000 in fiscal year 2019-20 and \$213,250 in fiscal year 2020-21. The bill includes a General Fund appropriation of \$109,209 in fiscal year 2019-20 and \$107,595 in fiscal year 2020-21 for one Senior Tax Examiner position and related costs to review, process and audit income tax returns to verify eligibility for the earned income tax credit.

Additional costs to the Department of Labor to issue the required posters or notices can be absorbed within existing budgeted resources.