



130th MAINE LEGISLATURE

LD 498

LR 903(02)

An Act To Reauthorize a 3 Percent Tax on Income over \$200,000 To Lift All Maine Workers out of Poverty

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)				
General Fund	(\$72,636,202)	(\$41,685,707)	(\$52,564,445)	(\$67,948,370)
Appropriations/Allocations				
General Fund	\$148,048	\$192,668	\$198,555	\$204,630
Revenue				
General Fund	\$72,784,250	\$41,878,375	\$52,763,000	\$68,153,000
Other Special Revenue Funds	\$2,835,750	\$1,631,625	\$2,777,000	\$3,587,000

Fiscal Detail and Notes

The bill imposes a 3% surcharge on taxable income exceeding \$200,000 and increases the earned income tax credit to the federal level and will increase General Fund revenue by \$72,784,250 in fiscal year 2021-22 and \$41,878,375 in fiscal year 2022-23. It also increases Local Government Fund revenue by \$2,835,750 in fiscal year 2021-22 and \$1,631,625 in fiscal year 2022-23.

The bill includes General Fund appropriations of \$148,048 in fiscal year 2021-22 and \$192,668 in fiscal year 2022-23 to the Department of Administrative and Financial Services for 2 Tax Examiner positions and related costs to review and process the additional earned income tax credits claimed.