



130th MAINE LEGISLATURE

LD 798

LR 334(02)

An Act To Improve the Educational Opportunity Tax Credit

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	\$0	\$75,000	\$46,136,786	\$48,188,145
Appropriations/Allocations				
General Fund	\$0	\$75,000	\$242,286	\$241,645
Revenue				
General Fund	\$0	\$0	(\$45,894,500)	(\$47,946,500)
Other Special Revenue Funds	\$0	\$0	(\$2,415,500)	(\$2,523,500)

Fiscal Detail and Notes

This bill includes ongoing General Fund appropriations of \$75,000 per year beginning in fiscal year 2022-23 to the Educational Opportunity Tax Credit program within the Finance Authority of Maine to market the program throughout the State.

The bill creates a new income tax credit for student loan repayment beginning on or after January 1, 2023 and will result in a reduction in General Fund revenue of \$45,894,500 in fiscal year 2023-24 and \$47,946,500 in fiscal year 2024-25. It will also result in a reduction in Local Government Fund revenue of \$2,415,500 in fiscal year 2023-24 and \$2,523,500 in fiscal year 2024-25.

The Department of Administrative and Financial Services will require future General Fund appropriations of \$167,286 beginning in fiscal year 2023-24 for 2 Tax Examiner positions and related costs to perform desk audits and provide taxpayer assistance.