



130th MAINE LEGISLATURE

LD 1651

LR 1495(02)

An Act To Support Working Families through Outreach and Education about Tax Credits for Persons of Low Income

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 | \$188,500 | \$188,500 | \$188,000 | \$188,000 |
| Appropriations/Allocations | | | | |
| General Fund | \$150,000 | \$150,000 | \$150,000 | \$150,000 |
| Revenue | | | | |
| General Fund | (\$38,500) | (\$38,500) | (\$38,000) | (\$38,000) |
| Other Special Revenue Funds | (\$1,500) | (\$1,500) | (\$2,000) | (\$2,000) |

Fiscal Detail and Notes

This bill includes ongoing General Fund appropriations of \$150,000 per year beginning in fiscal year 2021-22 to the New Ventures Maine program within the University of Maine System for a statewide collaboration of nonprofit and for-profit partners to provide free volunteer tax assistance, including the filing of state tax returns; outreach to low-income individuals and families about federal and state tax credits; financial education, connections to financial services and other resources; education for providers and volunteers; and statewide data collection.

The bill expands eligibility for the earned income tax credit to taxpayers who file their return using a federal individual taxpayer identification number and will result in a reduction in General Fund revenue of \$38,500 in fiscal years 2021-22 and 2022-23. It will also result in a reduction in Local Government Fund revenue of \$1,500 in fiscal years 2021-22 and 2022-23.