



131st MAINE LEGISLATURE

LD 341

LR 951(02)

An Act to Amend the Maine Tree Growth Tax Law to Encourage Housing Construction

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Net Cost (Savings)				
General Fund	\$209,909	\$268,014	(\$23,393)	(\$14,490)
Appropriations/Allocations				
General Fund	\$209,909	\$268,014	(\$23,393)	(\$14,490)

Fiscal Detail and Notes

The bill includes ongoing General Fund appropriations to the Department of Administrative and Financial Services, Bureau of Revenue Services of \$209,909 in fiscal year 2023-24 and \$268,014 in fiscal year 2024-25 for 2 Revenue Agent positions effective October 1, 2023 to process applications for withdrawal of land from the tree growth program, conduct site visits and determine eligibility for the reduced withdrawal penalty provided in the bill.

Increased withdrawals of land from the tree growth program will reduce state reimbursement to municipalities for property tax revenue lost due to the program. The first state reimbursement payment to municipalities that will be impacted by the bill is the October 2025 payment. The projections for fiscal year 2025-26 and fiscal year 2026-27 include a deappropriation of \$300,000 per year for the reduced state reimbursement.