



130th MAINE LEGISLATURE

LD 1713

LR 521(05)

An Act To Revitalize Maine's Paper Industry through the Establishment of an Income Tax Credit for Paper Manufacturing

Fiscal Note for Bill as Engrossed with:

C "A" (S-300)

S "A" (S-366) to C "A" (S-300)

Committee: Taxation

Fiscal Note

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)				
General Fund	\$0	\$0	\$793,000	\$1,520,000
Appropriations/Allocations				
General Fund	\$0	\$0	\$33,000	\$0
Revenue				
General Fund	\$0	\$0	(\$760,000)	(\$1,520,000)
Other Special Revenue Funds	\$0	\$0	\$40,000	(\$80,000)

Fiscal Detail and Notes

The bill creates a refundable income tax credit for qualified paper manufacturers that will result in a reduction in General Fund and Local Government Fund revenue of \$800,000 and \$40,000, respectively, beginning in fiscal year 2022-24. Maine Revenue Services will require a one-time General Fund appropriation of \$33,000 in fiscal year 2023-24 for computer programming costs to add lines to the individual, fiduciary and corporate income tax returns.

Additional costs to the Department of Economic and Community Development to administer the refundable Maine income tax credit for eligible paper manufacturers can be absorbed within existing budgeted resources.