



131st MAINE LEGISLATURE

LD 2106

LR 2772(02)

An Act to Accelerate the Production of Affordable Housing and Strengthen the Historic Property Rehabilitation Tax Credit

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	\$0	\$95,000	\$950,000	\$2,826,250
Revenue				
General Fund	\$0	(\$95,000)	(\$950,000)	(\$2,826,250)
Other Special Revenue Funds	\$0	(\$5,000)	(\$50,000)	(\$148,750)

Fiscal Detail and Notes

This bill increases the maximum tax credit allowed for certified historic property rehabilitation projects from \$5 million to \$10 million and changes the time period for claiming the credit from 4 to 3 years for tax years beginning on or after January 1, 2024. These changes will reduce General Fund revenue by \$95,000 and reduce Local Government Fund revenue by \$5,000 in fiscal year 2024-25. Due to the multi-year structure of the tax credit, the full impact of doubling the maximum credit will be realized over several years, resulting in substantially larger decreases in revenue in fiscal years 2025-26 and 2026-27 relative to fiscal year 2024-25.

Administrative costs to the Department of Administrative Services, Bureau of Revenue Services to implement the changes in the tax credit for certified historic property rehabilitation projects are expected to be minor and can be absorbed within existing budgeted resources.