

Tax and Fee Changes Affecting State and Local Tax Burden

127th Legislature, 2nd Regular Session ¹

Description of Tax or Fee Change	LD and Law Reference	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Sales and Use Tax					
Reduction in revenue from exempting the sale of orthotic devices sold by prescription from sales tax.	PL 2015, c. 495 (LD 1000)	\$0	(\$158,400)	(\$209,000)	(\$220,000)
Reduction in sales tax from extending an exemption to federally qualified health centers.	PL 2015, c. 510 (LD 1521)	\$0	(\$21,000)	(\$30,900)	(\$31,827)
Reduction in revenue from providing a sales tax exemption to all federally-chartered veterans' service organizations	PL 2015, c. 465 (LD 1612)	\$0	(\$82,189)	(\$93,696)	(\$97,912)
Reduction in revenue from providing a sales tax exemption on the purchase of fuel used in commercial agricultural production, commercial fishing, commercial aquacultural production and commercial wood harvesting.	PL 2015, c. 481 (LD 1606)	\$0	(\$3,580,400)	(\$10,221,584)	(\$11,123,647)
Individual Income Tax					
Reduction in revenue from allowing medical marijuana dispensaries to deduct expenses and qualified patients to deduct the cost of medical marijuana purchased.	PL 2015, c. 503 (LD 365)	\$0	\$0	(\$75,000)	(\$127,500)
Reduction in revenue from changes to the educational opportunity tax credit.	PL 2015, c. 482 (LD 1657)	(\$25,000)	(\$403,200)	(\$1,030,700)	(\$1,758,200)
Reduction in revenue from increasing Loring's ETIF to 100% for one year.	PL 2015, c. 486 (LD 1670)	\$0	(\$650,000)	\$0	\$0
Reduction in revenue from providing a tax credit for disability income plans.	PL 2015, c. 490 (LD 1542)	\$0	\$0	(\$29,000)	(\$64,000)
Adjusts revenue to reflect conformity with the United States Internal Revenue Code of 1986 as amended through December 31,2015, repeal of the deduction for Sec. 222 qualified tuition and the implementation of a Maine capital investment credit for taxable years beginning in 2015.	PL 2015, c. 388 (LD 1583)	(\$15,132,000)	(\$12,993,000)	(\$6,440,000)	(\$3,758,000)
Corporate Income Tax					
Adjusts revenue to reflect conformity with the United States Internal Revenue Code of 1986 as amended through December 31,2015 and the implementation of a Maine capital investment credit for taxable years beginning in 2015.	PL 2015, c. 388 (LD 1583)	(\$4,230,000)	(\$6,807,000)	(\$6,545,000)	(\$6,038,000)
Other Taxes and Fees - Workers' Compensation Board					
Increases the cap on the dollar amount that may be assessed on insurance companies and self-insured employers.	PL 2015, c. 469 (LD 1553)	\$0	\$0	\$1,800,000	\$1,800,000
Other Taxes and Fees - Public Safety					
Increase in revenue from bidding fees, license fees and net commissions from advanced deposit wagering.	PL 2015, c. 499 (LD 1279)	\$0	\$0	\$95,000	\$95,316
Total Impact of Tax and Fee Changes		(\$19,387,000)	(\$24,695,189)	(\$22,779,880)	(\$21,323,770)

^{1/} Does not reflect the revenue impacts of the marijuana legalization (LD 1701) and education fund w/ three percent surtax (LD 1660) referenda that were considered by the voters during the November 8, 2016 election.