

Approved Full Review Schedule as of December 2019

Approved by GOC on 12/10/2019

| ID # | Rationale | Review Category | Tax Type | Expenditure Type | Expenditure Program Name | Brief Description | FY20 Revenue Loss Estimate* | FY21 Revenue Loss Estimate* | Statutory Title 36 Cite: | Status |
|------|---|-----------------|--------------------|----------------------------------|---|---|-----------------------------|-----------------------------|--|---|
| 9 | Business Incentive - Equipment Investment | A | Property | Reimbursement | Reimbursement For Business Equipment Tax Exemption to Municipalities (BETE) | Reimbursement to municipalities of revenue losses, with limitations, due to the property tax exemption for qualified business equipment. | \$44,300,000 | \$48,750,000 | Chapter 105, subc. 4-C | In Progress (combined with BETR) |
| 10 | Business Incentive - Equipment Investment | A | Property | Reimbursement | Reimbursement for Taxes Paid on Certain Business Property (BETR) | Reimbursement of property tax paid on qualified business property, with limitations. FY15 tax loss shows a decrease from prior years resulting from recently enacted legislation. | \$25,600,000 | \$23,600,000 | Chapter 915 | In Progress (combined with BETE) |
| 92 | Conformity with IRC | A | Income | Credit | Maine Capital Investment Credit | Tax credit for depreciable property placed in service in Maine. | \$19,900,000 | \$18,350,000 | 5219-GG, 5219-JJ, 5219-MM & 5219-NN (Conflict) | In Progress |
| XX | Business Incentive - Job Creation | A | Sales & Use Income | Credit, Exemption, Reimbursement | Pine Tree Development Zones (Second Evaluation) | Reimbursement of sales & use taxes on certain tangible personal property; exemption from sales taxes on tangible personal property and electricity; and credits for qualified businesses that expand or begin operations in the State (100% of Maine income tax liability is waived for the first 5 years, and 50% for years 6 to 10). Ends in 2028/2029. | \$4,260,000 - \$7,099,998 | \$3,030,000 - \$5,809,998 | \$2016 \$1760.87 \$5219-W | Scheduled for Updated Design Review of New Elements in Statute. |
| 4 | Business Incentive - Financial Investment | A | Income | Credit | Maine Seed Capital Tax Credit | Tax credit of up to 50% for capital investment in eligible businesses (including manufacturing, value-added natural resource enterprises, export businesses, advanced technology, and visual media production), with limitations. | \$4,250,000 | \$4,500,000 | 36 MRS §5216-B & 10 MRS §1100-T | Parameters in Development |
| 3 | Business Incentive - Research Investment | A | Income | Credit | Research Expense Tax Credit | Tax credit for qualified research expenses associated with certain technological and experimental research, with limitations. 15 year carry forward. | \$610,000 | \$630,000 | 5219-K | |
| 11 | Business Incentive - Research Investment | A | Sales & Use | Exemption | New Machinery for Experimental Research | Tax exemption on sales of machinery and equipment for certain research and development activities, and for biotechnology research. | \$50,000 - \$249,999 | \$50,000 - \$249,999 | 1760.32 | |
| 6 | Business Incentive - Targeted Industry | A | Income | Credit | Credit for Rehabilitation of Historic Properties | Income tax credit for expenditures in rehabilitation of certified historic properties, with limitations. Fiscal impact is expected to increase \$1.4 million in FY17 and perhaps more in future years as a result of recently enacted legislation. Tied to federal credit. | \$11,650,000 | \$11,550,000 | 5219-BB | |
| 5 | Business Incentive - Targeted Industry | A | Income | Credit | Tax Benefits for Media Production Companies | Tax credit (5% of nonwage production expenses, if >\$75,000) and reimbursement (12% of production wages) for certified productions of visual media production companies. | \$190,000 | \$190,000 | 5219-Y, 6902 | |
| 171 | Business Incentive - Targeted Industry | A | Income | Deduction | Shipbuilding Facility Credit | Creates a nonrefundable income tax credit for 15 years (from tax years beginning on or after January 1, 2020) for major investments in a shipbuilding facility when criteria are met. Requires the credit to be reviewed by 2024 by OPEGA. | \$0 | \$2,850,000 | 5219-RR | Added to Category A by GOC on 3/22/2019 |

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| 185 | Business Incentive - Targeted Industry | A | Income | Credit | Major Food Processing & Manufacturing Facilities Expansion Credit | Refundable income tax credit for construction or expansion of a qualifying food processing and manufacturing facility in Maine. Credit amount is equal to 1.8% of the taxpayer's qualified investment. | \$0 | \$0 | 5219-VV | Added to Category A by GOC on 12/10/2019 |
| 14 | Business Incentive - Targeted Industry | A | Income | Deduction | Deduction for Contributions to Capital Construction Funds for maintenance or replacement of fishing vessels | Deduction for contributions to a capital construction fund for maintenance or replacement of fishing vessels. | \$410,000 | \$410,000 | 5122.2.I | Added to Category A by GOC on 3/22/2019 |
| 16 | Non-Business Incentive - Education | A | Income | Credit | Credit for Educational Opportunity | Tax credit for certain educational loan payments made by participants in the Job Creation Through Educational Opportunity Program and their employers; participants must be residents who remain in Maine after obtaining a degree here. | \$28,800,000 | \$35,100,000 | 5217-D | |
| 172 | Non-Business Incentive - Health & Safety | A | Income | Credit | Employer credit for family and medical leave | Creates a tax credit (for tax years beginning in 2018 and 2019) under the income tax and insurance premium tax equal to the federal credit for employer-paid family and medical leave. The credit is nonrefundable. | \$2,860,000 | \$1,700,000 | 5219-UU & 2536 | Added by GOC on 3/22/2019 |
| 19 | Non-Business Incentive - Financial Investment | A | Income | Deduction | Deduction for Interest and Dividends on Maine State and Local Securities - Individual Income Tax | Individual income tax deduction for interest or dividends on securities issued by the State and its political subdivisions. | \$65,000 | \$70,000 | 5122.2.N | |
| 20 | Non-Business Incentive - Financial Investment | A | Income | Deduction | Deduction for Interest and Dividends on U.S., Maine State and Local Securities | Corporate income tax deduction for interest or dividends on securities issued by the State and its political subdivisions. | \$20,000 - \$100,000 | \$20,000 - \$100,000 | 5200-A.2.A, 5200A.2.K | |
| 18 | Non-Business Incentive | A | Income | Credit | Earned Income Credit <i>Note: The amount shown is the General Fund Revenue loss from EITC net of reimbursements from TANF funds for the EITC. The gross revenue reduction from the EITC is approximately \$10.2 million in FY 2018.</i> | Tax credit equal a percentage of the federal earned income tax credit (EITC) received that year; EITC is a credit for individuals who have earned income under a certain limit. | \$2,770,000 | \$2,800,000 | 5219-S | |
| 37 | Tax Relief - Individuals | A | Income | Deduction | Additional Standard Deduction for the Blind and Elderly | Additional \$1,550 standard deduction if single, or \$1,250 if married available to taxpayers who are blind beginning in tax year 2016. | \$9,000,000 | \$9,600,000 | 5124-A | |
| 29 | Tax Relief - Individuals | A | Income | Credit | Income Tax Credit for Child & Dependent Care Expense | Tax credit for child and dependent care expenses in the amount of 25% of the federal tax credit; the credit doubles for expenses incurred for quality child care services. Maximum of \$500. | \$4,000,000 | \$4,000,000 | 5218 | |
| 30 | Tax Relief - Individuals | A | Income | Deduction | Deduction for Pension Income & IRA Distributions | Deduction for pension benefits received under employee retirement plans and taxable distributions from individual retirement accounts, up to \$10,000. | \$30,600,000 | \$30,900,000 | 5122.2.M | |

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| 31 | Tax Relief - Individuals | A | Income | Deduction | Deduction for Social Security Benefits Taxable at Federal Level | Deduction for social security benefits and railroad retirement benefits. | \$95,300,000 | \$103,000,000 | 5122.2.C | |
| 32 | Tax Relief - Individuals | A | Property | Credit | Property Tax Fairness Credit | Property tax credit for Maine residents based on a formula, not to exceed \$600 for those under 65 years of age, or \$900 for those over 65, with income limitations. | \$24,900,000 | \$24,900,000 | 5219-KK | |
| 27 | Tax Relief - Individuals | A | Income | Credit | Sales Tax Fairness Credit | Tax credit to provide sales tax relief to low and middle income families. | \$24,550,000 | \$24,300,000 | 5213-A & 5403.5 | |
| 33 | Tax Relief - Targeted Industry | A | Sales & Use | Exemption | Railroad Track Materials | Tax exemption on sales of railroad track materials for installation on railroad lines within the State. | \$1,330,000 | \$1,380,000 | 1760.52 | |
| 34 | Tax Relief - Targeted Industry | A | Sales & Use | Refund | Refund of Sales Tax on Purchases of Parts and Supplies for Windjammers | Refund of sales tax paid on purchases of parts and supplies for use for operation, repair or maintenance of a windjammer providing commercial cruises. | \$50,000 - \$249,999 | \$50,000 - \$249,999 | 2020 | |
| 36 | Tax Relief - Individual or Targeted Industry | A | Service Provider | Exemption | Certain Telecommunications Services | Tax exemption on sales of interstate and international telecommunications services. | \$11,700,000 | \$12,100,000 | 2557.33, 2557.34 | |
| 154 | Specific Policy Goal/Mandate | A | Other | Exemption | Partial Cigarette Stamp Tax Exemption for Licensed Distributors | Allows licensed cigarette distributors to purchase cigarette stamps with a face value of \$2 at a discount of 1.15%. (General Fund) | \$1,821,144 | \$1,784,721 | 4366-A.2 | |
| 155 | Specific Policy Goal/Mandate | A | Sales & Use | Exemption | Air & Water Pollution Control Facilities | Tax exemption on sales of certified air and water pollution control facilities and parts or accessories, construction materials, and chemicals or supplies of these facilities. | \$500,000 - \$1,999,998 | \$500,000 - \$1,999,998 | 1760.29, 1760.30 | |
| 165 | Administrative Burden | A | Sales & Use | Exemption | Sales Through Coin Operated Vending Machines | Tax exemption on sales of certain products through vending machines by retailers who make the majority of their sales via vending machines. | \$480,000 | \$490,000 | 1760.34 | |
| 1 | Business Incentive - Financial Investment | A | Income | Credit | New Markets Capital Investment Credit | Tax credits of up to 39% of a project's total cost for qualified equity investments in low-income community businesses made via a community development entity, with limitations. | \$12,423,000 | \$6,569,000 | 5219-HH | Reported out 2017 |
| 2 | Business Incentive - Job Creation | A | Sales & Use Income | Credit, Exemption, Reimbursement | Pine Tree Development Zones | Reimbursement of sales & use taxes on certain tangible personal property; exemption from sales taxes on tangible personal property and electricity; and credits for qualified businesses that expand or begin operations in the State (100% of Maine income tax liability is waived for the first 5 years, and 50% for years 6 to 10). Ends in 2028/2029. | \$4,260,000 - \$7,009,998 | \$3,030,000 - \$5,809,998 | \$2016 \$1760.87 \$5219-W | Reported out 2017 |
| 7 | Business Incentive - Job Creation | A | Income | Credit | Major Business Headquarters Expansion | Refundable credit of 2% of taxpayer's investment for a major business that expands or locates its headquarters in Maine and hires the required number of new employees. | Credit is not available until tax year 2020 | \$760,000 | 5219-QQ | Limited Scope Review Reported out in 2017 |
| 8 | Business Incentive - Job Creation | A | Income | Reimbursement | Employment Tax Increment Financing | Reimbursement to certain businesses of income tax attributed to qualified employees (those receiving a designated level of wages, health and retirement benefits), subject to limitations including unemployment rates in the area; ends in 2028. | \$11,400,000 longer includes JTIF programs) | \$12,000,000 (No longer includes JTIF programs) | Chapter 917 | Reported out 2019 |