



# 126th MAINE LEGISLATURE

LD 455

LR 1059(01)

**An Act To Increase the State Earned Income Credit**

**Preliminary Fiscal Impact Statement for Original Bill**

**Sponsor: Rep. Stuckey of Portland**

**Committee: Taxation**

**Fiscal Note Required: Yes**

---

---

## **Preliminary Fiscal Impact Statement**

Current biennium revenue decrease - General Fund

Current biennium cost increase - General Fund

### **Fiscal Detail and Notes**

Increasing the state earned income credit from 5% to 50% of the federal earned income credit for tax years beginning on or after January 1, 2013 and making the credit fully refundable will reduce General Fund revenue and Municipal Revenue Sharing significantly. It is estimated the total impact could be in the \$79 million to \$89 million range each year. In addition to the revenue reduction, Maine Revenue Services will require a General Fund appropriation for two additional Tax Examiner positions and related administrative support.