

**126th MAINE LEGISLATURE****LD 1113****LR 1936(02)****An Act To Provide Tax Fairness to Maine's Middle Class and Working Families****Fiscal Note for Bill as Amended by Committee Amendment " "****Committee: Taxation****Fiscal Note Required: Yes****Fiscal Note**

	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>Projections FY 2015-16</b>	<b>Projections FY 2016-17</b>
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$991,675	\$1,089,500	(\$2,928,375)
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$37,329,675	\$49,606,500	\$50,951,625
<b>Revenue</b>				
General Fund	\$0	\$36,338,000	\$48,517,000	\$53,880,000
Other Special Revenue Funds	\$0	\$2,002,000	\$2,243,000	\$2,420,000

**Fiscal Detail and Notes**

This bill has a net General Fund cost of \$991,675 in fiscal year 2014-15 and \$1,089,500 in fiscal year 2015-16. In fiscal year 2016-17, the bill will result in net General Fund savings of \$2,928,375. Provided below is a table summarizing the net General Fund impacts of the tax and tax reimbursement program changes.

	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>Projections FY 2015-16</b>	<b>Projections FY 2016-17</b>
<b>General Fund Appropriations</b>				
One-time administrative costs for new tax assessment		\$124,800		
Homestead Property Tax Reimbursement		\$37,204,875	\$49,606,500	\$50,951,625
<b>General Fund Revenue</b>				
Maine Residents Property Tax Program Transfer		(\$1,700,000)	\$5,900,000	\$7,900,000
Tax equalization assessment - Income tax *		\$38,038,000	\$42,617,000	\$45,980,000

\* Income tax increase will increase transfers to the Local Government Fund for municipal revenue sharing by \$2,002,000 in fiscal year 2014-15, \$2,243,000 in fiscal year 2015-16 and \$2,420,000 in fiscal year 2016-17.