



126th MAINE LEGISLATURE

LD 1795

LR 2809(02)

An Act To Remove Medical and Dental Expenses from the Itemized Deduction Cap

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2013-14	FY 2014-15	Projections FY 2015-16	Projections FY 2016-17
Net Cost (Savings)				
General Fund	\$0	(\$1,913,680)	(\$4,286,030)	(\$13,101,643)
Appropriations/Allocations				
Other Special Revenue Funds	\$0	\$2,600,000	\$5,100,000	\$1,600,000
Revenue				
General Fund	\$0	\$1,913,680	\$4,286,030	\$13,101,643
Other Special Revenue Funds	\$0	\$2,700,720	\$5,334,002	\$2,289,560

Fiscal Detail and Notes

This bill removes medical and dental expenses from the cap on itemized deductions and would result in a reduction in General Fund and Local Government Fund revenues of \$5,097,320 and \$268,280 in fiscal year 2014-15, respectively .

The bill also includes an Other Special Revenue Funds allocation to the Bureau of Revenue Services of \$2,600,000 in fiscal year 2014-15 for contingent-fee payments for contracted tax collection services. Expanded collection efforts are projected to increase gross tax collections by 9,980,000 in fiscal year 2014-15, with \$7,011,000 going to the General Fund, \$369,000 going to the Local Government Fund and \$2,600,000 going to fund the allocation for contractor payments.