



126th MAINE LEGISLATURE

LD 1839

LR 2808(02)

An Act To Increase the Deduction for Pension Income

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	\$3,692,650	\$12,429,800	\$17,578,800
Revenue				
General Fund	\$0	(\$3,692,650)	(\$12,429,800)	(\$17,578,800)
Other Special Revenue Funds	\$0	(\$194,350)	(\$654,200)	(\$925,200)

Fiscal Detail and Notes

This bill increases the maximum Maine individual income tax pension deduction amount from \$10,000 to \$15,000 in 2015 and 2016, to \$20,000 in 2017 and 2018 and to \$30,000 beginning in 2021. This increase would result in a loss of General Fund and Local Government Fund revenue of \$3,692,650 and \$194,350, respectively, in fiscal year 2014-15. In 2021, when the deduction reaches \$30,000, it is estimated that General Fund revenue would be reduced by approximately \$60,000,000.