

Tax and Fee Changes Affecting State and Local Tax Burden - 124th Legislature, 2nd Regular Session

Tax Category and Description	Law Reference	FY 2010	FY 2011	FY 2012	FY 2013
Sales and Use Tax					
Impose the sales and use tax on the sale of medical marijuana.	PL c. 625	\$0	\$75,000	\$75,000	\$75,000
Expanded exemption for sales and use tax for certain antiseptics and cleaning agents used in commercial agricultural production.	PL c. 632	\$0	(\$1,800)	(\$2,020)	(\$2,040)
Individual Income Tax					
Establish a Brunswick Naval Air Station Job Increment Financing Fund.	PL c. 641	\$0	\$0	(\$24,270)	(\$101,352)
Enacts the 2010 Tax Receivables Reduction Initiatives to raise revenue and reduce outstanding tax receivables. There are 2 separate initiatives: a short-term initiative which applies to tax liabilities that are assessed as of December 31, 2009; and a 5-year initiative, which applies to tax liabilities that were assessed as of June 30, 2005. A taxpayer who participates in the short-term initiative is eligible for a waiver of 95% of the penalties due upon payment of the tax and interest. A taxpayer who participates in the 5-year initiative is eligible for a waiver of 95% of the interest and penalties otherwise due upon payment of the tax.	PL c. 571, HH	\$0	\$10,000,000	(\$2,000,000)	(\$2,000,000)
Changes the date of the employment tax increment financing deposit and the deposit of the Loring Development Authority payment from on or before June 30th to July 15th of each year beginning in fiscal year 2009-10.	PL c. 571, LL	\$8,250,000	\$750,000	\$750,000	\$750,000
Corporate Income Tax					
Adopts the process called the Finnigan approach for purposes of calculating the sales apportionment factor for C corporations. The Finnigan approach treats all members of the taxpayer's unitary affiliated group, whether they have nexus with Maine or not, as one entity. As a result, sales from the non-nexus affiliates within the unitary business of the taxpayer to Maine customers are included in both the numerator and the denominator as if the non-nexus entity had nexus with Maine.	PL c. 571, GG	\$0	\$3,000,000	\$3,150,000	\$3,307,500
Public Utilities Taxes					
Modifies the statewide E-911 surcharge from originally scheduled increase of 52 cents to an increase of 45 cents.	PL c. 617	\$0	(\$1,285,200)	(\$1,285,200)	(\$1,285,200)
Assessment on telecommunications companies to fund outside counsel in FairPoint Communications bankruptcy matter.	P&S c. 30	\$100,000	\$0	\$0	\$0
Hospital Taxes and Assessments					
Increased revenue from imposition of a temporary hospital assessment.	PL c. 571, VV	\$0	\$4,200,000	\$0	\$0
Gross revenue impact from an update of the hospital tax base year from 2006 to 2008 beginning July 1, 2010.	PL c. 571, AAA	\$0	\$11,351,537	\$11,351,537	\$11,351,537
Finance Industry Fees					
Reflects the rules increase in the volume fee charged to non-bank lenders from \$20 per \$100,000 of loans made to \$35 per \$100,000 to support existing staff.	RES c. 177	\$0	\$98,000	\$98,000	\$98,000

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Property Taxes					
Additional revenue from one-time increase in the amount of the Commercial Forestry Excise Tax to be assessed in fiscal year 2010-11.	PL c. 571, BBBB	\$0	\$400,000	\$0	\$0
Reimbursement from the Unorganized Territory Education and Services Fund by the State Tax Assessor to landowners to refund penalties paid under the Tree Growth Tax law between September 20, 2007 and the effective date of this Act.	PL c. 577	\$0	(\$200,000)	\$0	\$0
Liquor Taxes and Fees					
Increased liquor license fee revenue from events hosted by qualified catering services.	PL c. 530	\$0	\$14,000	\$14,000	\$14,000
Other Taxes and Fees - Games of Chance Fees					
Reduction in revenue from extending the reduced high-stakes beano license fee to fiscal years 2009-10 and 2010-11.	PL c. 534	(\$25,000)	(\$25,000)	\$0	\$0
Milk Handling Fee					
Increased revenue from adjusting the milk handling fee.	PL c. 468	\$548,446	\$776,967	\$776,967	\$776,967
Motor Vehicle Inspection Fees					
Increase in revenue from requiring motorcycle inspection stickers to be affixed to the rear of the motorcycle.	PL c. 624	\$0	\$0	\$30,000	\$30,000
Other Taxes and Fees - Health and Human Services					
Increased revenue from increased fees for health inspections.	PL c. 589	\$0	\$321,488	\$321,488	\$321,488
Increased revenue from increased fees for plumbing permits.	PL c. 589	\$0	\$429,820	\$429,820	\$429,820
Net increase of various fees for nursing assistants.	PL c. 628	\$0	\$74,185	\$74,185	\$74,185
Increased revenue from patient, caregiver, and dispensary registration fees.	PL c. 631	\$0	\$251,145	\$203,605	\$206,286
Increased revenue resulting from new and increased fees to be paid by health care providers, facilities and programs.	PL c. 590	\$0	\$2,175	\$2,175	\$2,175
Increased revenue resulting from new and increased fees to be paid by health care providers, facilities and programs.	PL c. 590	\$0	\$13,200	\$13,200	\$13,200
Other Taxes and Fees - Marine Resources					
Reduction in revenue from reduced sales of the lobster meat permit.	PL c. 523	\$0	(\$636)	(\$636)	(\$636)
Revenue from the new lobster processor license.	PL c. 523	\$0	\$3,000	\$3,000	\$3,000
Increased revenue from the new striped bass endorsement.	PL c. 559	\$0	\$198,824	\$730,230	\$936,520
Revenue from the new commercial pelagic and anadromous fishing license.	PL c. 527	\$0	\$38,800	\$77,600	\$77,600
Recognizes revenue from technical changes to previously enacted Marine Resources fee increases.	PL c. 561	\$0	\$368	\$368	\$368
Other Taxes and Fees - Environmental Protection					
Revenue impact from changes to permit fees.	RES c. 167	\$3,090	\$3,090	(\$160)	(\$160)
Total Net Change to Taxes and Fees affecting Tax Burden		\$8,876,536	\$30,488,963	\$14,788,889	\$15,078,258

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Major Changes to Tax Reimbursement Programs (Not included in State and Local Tax Burden Calculations)					
Excludes a telecommunications tower supporting an antenna used by a telecommunications business from the business equipment tax exemption program for property tax years beginning on or after April 1, 2010. This Part excludes a telecommunications tower supporting an antenna used by a telecommunications business from the Business Equipment Tax Reimbursement program for application periods beginning on or after August 1, 2010 for property taxes paid in calendar year 2009 and subsequent calendar years.	PL c. 571, II	\$0	\$500,000	\$500,000	\$500,000