



# 125th MAINE LEGISLATURE

LD 131

LR 845(01)

## An Act To Change the Threshold for Qualification for a Sales Tax Resale Certificate

### Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Johnson of Greenville

Committee: Taxation

Fiscal Note Required: Yes

### Preliminary Fiscal Impact Statement

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
<b>Net Cost (Savings)</b>				
General Fund	\$55,873	\$67,830	\$67,830	\$67,830
<b>Appropriations/Allocations</b>				
General Fund	\$5,000	\$0	\$0	\$0
<b>Revenue</b>				
General Fund	(\$50,873)	(\$67,830)	(\$67,830)	(\$67,830)
Other Special Revenue Funds	(\$2,678)	(\$3,570)	(\$3,570)	(\$3,570)

#### Fiscal Detail and Notes

Reducing the threshold for the requirement to obtain a sales tax resale certificate from \$3,000 to \$500 will result in lost sales tax revenue and losses to the General Fund and will reduce revenue sharing. Requiring a one-time administrative expenditure to develop and mail notifications and print off new sales tax resale certificates will cost approximately \$5,000 in the first year of the new threshold.