



# 125th MAINE LEGISLATURE

LD 805

LR 703(02)

## An Act To Decrease the Tax Burden on Maine's Seniors

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$0	\$8,417,751	\$30,683,349
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$0	\$0	\$64,505
<b>Revenue</b>				
General Fund	\$0	\$0	(\$8,417,751)	(\$30,618,844)
Other Special Revenue Funds	\$0	\$0	(\$443,040)	(\$1,611,518)

#### Fiscal Detail and Notes

Providing a 50% income tax credit that is phased in over 5 years to taxpayers who are 65 years of age and older and making the credit equal to half the amount otherwise due when for married persons filing jointly only one filer has reached 65 years of age by the end of the taxable year will reduce revenues to the General Fund and reduce revenue sharing starting in fiscal year 2013-14. Maine Revenue Services (MRS) will require a one-time appropriation during fiscal year 2014-15 of \$12,734 for computer programming and an ongoing appropriation starting in fiscal year 2014-15 for one Tax Examiner and related administrative support to confirm the age eligibility of those taking the credit and to respond to related queries. MRS also notes that if the full credit were available in fiscal year 2014-15 then the revenue reduction could be as large as approximately \$118 million.