



125th MAINE LEGISLATURE

LD 849

LR 149(20)

An Act To Provide Tax Relief for Maine's Citizens by Reducing Income Taxes

Fiscal Note for House Amendment " " to Committee Amendment "C"

Sponsor: Rep. Webster of Freeport

Fiscal Note Required: Yes

Fiscal Note

Potential future biennium revenue increase - General Fund

Fiscal Detail and Notes

The amendment provides that reductions in income tax rates from the rates that apply in tax years beginning on or after January 1, 2013 based on funds available in the Tax Relief Fund for Maine Residents are to be determined each year and may be made only for years when sufficient funding is available in the Fund. Based on currently budgeted revenue, no transfers of General Fund revenue in excess of the appropriation limitation are expected through the end of fiscal year 2014-15. Relative to the committee amendment, this amendment would lead to a potential increase in General Fund revenues in future biennia. By making the continuation of the tax cuts dependent upon adequate funding for each tax year, the amendment is expected to limit the potential loss of future revenue to the tax year for which the resources are transferred from the Tax Relief Fund for Maine Residents. This amendment eliminates the additional future tax reductions not offset by future transfers.