

Evaluation Parameters: Maine Earned Income Tax Credit

Approved by the GOC on 1.9.2026

Purposes, Intent or Goals

Derived by OPEGA from background research.

1. To reduce poverty and encourage workforce participation among working families and individuals in Maine by raising the after-tax income of low- and moderate-income families.

Intended Beneficiaries

Derived by OPEGA from background research and Red Book description

1. Direct recipients of the tax credit: low- and moderate-income Maine people and families
2. Indirect beneficiaries: citizens and taxpayers of Maine through improved outcomes for Maine citizens and impacts to local economies

Evaluation Objectives

(3 MRS §999)

1. The fiscal impact of the tax expenditure, including past and estimated future impacts;
2. The extent to which the design of the tax expenditure is effective in accomplishing the tax expenditure's purposes, intent or goals and consistent with best practices;
3. The extent to which the tax expenditure is achieving its purposes, intent or goals, taking into consideration the economic context, market conditions and indirect benefits;
4. The extent to which those actually benefiting from the tax expenditure are the intended beneficiaries;
5. The extent to which it is likely that the desired behavior might have occurred without the tax expenditure, taking into consideration similar tax expenditures offered by other states;
6. The extent to which the State's administration of the tax expenditure, including enforcement efforts, is efficient and effective;
7. The extent to which there are other state or federal tax expenditures, direct expenditures or other programs that have similar purposes, intent or goals as the tax expenditure, and the extent to which such similar initiatives are coordinated, complementary or duplicative;
8. The extent to which the tax expenditure is a cost-effective use of resources compared to other options for using the same resources or addressing the same purposes, intent or goals; and
9. Any opportunities to improve the effectiveness of the tax expenditure in meeting its purposes, intent or goal.

Performance Measures

Derived by OPEGA from background research.

1. Measures of poverty among working families and individuals in Maine, including measures of childhood poverty.
2. Measures of workforce participation among low-income Maine people.
3. Measures of tax burden by income distribution in Maine, including with and without the state EITC.
4. Average credit amount broken down by income level.
5. Information on credit uptake over time.