

Maine Tax Expenditure Programs Summary

prepared by the Office of Program Evaluation and Government Accountability

Description of Workbook Contents

This workbook contains all Tax Expenditure Programs included in the Maine State Tax Expenditure Report 2014-2015 broken into categories by type of tax that are shown in the separate spreadsheets/tabs.

Spreadsheet/Tab Name	Description of Programs Contained in the Tab	# of Programs	Estimated Revenue Loss for FY15 (Red Book)*
Income Conformity (pages A1-A2 in print copy)	Programs that impact General Fund Revenue from income taxes with the reported reason for the program being to provide for conformity with the Internal Revenue Service Code	18	\$940,555,000
Income (pages B1-B4 in print copy)	Programs that impact General Fund Revenue from income taxes where the reported reason for the program is something other than "conformity"	41	\$205,618,400
Property (page C1 in print copy)	Programs that impact General Fund from State reimbursements to municipalities for forgone property tax revenue at the municipal level. Modifications to all of these programs are currently in progress and are expected to result in decreased revenue losses that are not reflected in the fiscal data captured in this workbook.	3	\$125,463,865
Sales & Use (pages D1-D4 in print copy)	Programs that impact General Fund Revenue from the Sales and Use Tax imposed upon consumers	124	\$2,000,365,491
Service Provider (page E1 in print copy)	Programs that impact General Fund Revenue from the Service Provider Tax imposed upon the providers of certain services	31	\$16,733,500
Other than General Fund (pages F1-F2 in print copy)	Programs that impact revenue to funds other than the General Fund (i.e. Highway Fund)	12	\$228,528,029

* Figures provided are conservative estimates based on known revenue loss of individual programs and the lowest dollar amount for those programs with an estimated range of revenue loss.

Sources of Data and Information Contained in the Spreadsheets/Tabs

These spreadsheets were modified from the original provided by Maine Revenue Services and then augmented with further information found in statute, the "Red Book," and the "1997 Report." The "Red Book" referenced in the column headings on each spreadsheet is the Maine State Tax Expenditure Report 2014-2015. The "1997 Report" referenced in the Sales & Use spreadsheet is the 1997 Report to Taxation Committee on Sales Tax Expenditures. An N/A indicates that information was not readily available from one of these sources.

Some of the columns contained in the "Income," "Property," and "Sales & Use" spreadsheets contain interpretive analysis and category assignments as determined by OPEGA based on information in statute or the referenced reports. All columns are marked as such.

There are two coded columns: Fiscal Amount Coded; and Beneficiary Size Coded. Fiscal Amount Coded is the estimated spread in revenue loss and is the same as what is represented in the "Red Book." Beneficiary Size Coded was developed by OPEGA to collapse the potential beneficiary size into smaller categories. Data definitions are provided below.

Fiscal Amount Coded	
A	\$0-\$49,999
B	\$50,000-\$249,999
C	\$250,000-\$999,000
D	\$1,000,000-\$2,999,999
E	\$3,000,000-\$5,999,999
F	\$6,000,000 or more

Beneficiary Size Coded	
A	<10
B	10-49
C	50-99
D	100-249
E	250-999
F	1,000-9,999
G	10,000-49,999
H	>50,000

Tax Expenditure Programs Impacting General Fund Revenue from Income Taxes with a Tax Policy Principle of "Conformity"

Page in Red Book	Expenditure Program Name	Statutory Ref 36 MRS A §	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason(s) for Exemption (Red Book)
			FY12	FY13	FY14	FY15			
GENERAL CONFORMITY WITH INTERNAL REVENUE CODE									
18	Itemized Deductions	5125	\$128,105,000	\$124,598,000	\$128,316,000	\$140,094,000	F	Estimates are based on the MRS individual income micro-simulation tax model	Generally provides conformity to federal individual tax law.
20	Deduction for Exempt Associations, Trusts and Organizations	5162(2)	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Conforms to federal tax law and provides tax benefits to charitable and benevolent organizations
33	Retirement and Disability Credit	5219-A	\$5,000	\$5,000	\$5,000	\$5,000	A	Estimate is based on information from the MRS data warehouse	Provides tax relief to low income individuals. Conformity reduces filing errors, increases compliance, etc.

Tax Expenditure Programs Impacting General Fund Revenue from Income Taxes with a Tax Policy Principle of "Conformity"

Page in Red Book	Expenditure Program Name	Statutory Ref 36 MRSA §	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason(s) for Exemption (Red Book)	
			FY12	FY13	FY14	FY15				
CONFORMITY WITH INTERNAL REVENUE CODE DEFINITION OF FEDERAL ADJUSTED GROSS INCOME: ABOVE THE LINE DEDUCTIONS										
53	Health Savings Accounts	5102(1-D)	\$867,000	\$864,000	\$846,000	\$858,000	C	Estimates of Federal Tax Expenditures for FY11-15, compiled by the US Joint Standing Committee on Taxation	Maine generally conforms to federal exclusion and deduction provisions used to calculate federal adjusted gross income. Conformity reduces filing errors, eases tax administration and increases tax compliance. Conformity also helps keep Maine taxes more competitive with other states.	
54	Deduction for Interest of Student Loans	5102(1-D)	\$3,288,000	\$2,410,000	\$991,000	\$998,000	C			
55	Moving Expenses Deduction	5102(1-D)	\$228,000	\$226,000	\$223,000	\$223,000	B			
56	Pension Contributions -- Individual Retirement Plans	5102(1-D)	\$5,648,000	\$5,736,000	\$5,762,000	\$6,056,000	F			
58	Pension Contributions -- Partners & Sole Proprietors --Self-employed SEP, SIMPLE, and KEOGH Plans	5102(1-D)	\$4,968,000	\$5,135,000	\$5,342,000	\$5,712,000	E			
59	Self-Employed Medical Insurance Premiums	5102(1-D)	\$7,086,000	\$7,244,000	\$7,282,000	\$7,746,000	F			
CONFORMITY WITH INTERNAL REVENUE CODE DEFINITION OF FEDERAL ADJUSTED GROSS INCOME: OTHER										
60	Pension Contributions & Earnings -- Employer-Provided Pension Contributions & Earnings	5102(1-D)	\$119,278,000	\$140,900,000	\$151,401,000	\$169,292,000	F			
61	Employer-Paid Medical Insurance and Expenses	5102(1-D)	\$142,666,000	\$158,728,000	\$169,809,000	\$181,599,000	F			
62	Exclusion of Benefits Provided under Cafeteria Plans	5102(1-D)	\$40,093,000	\$42,528,000	\$45,296,000	\$48,812,000	F			
63	Exclusion of Capital Gains at Death	5102(1-D)	\$27,733,000	\$32,342,000	\$38,522,000	\$41,360,000	F			
64	Exclusion of Investment Income on Life Insurance and Annuity Contracts	5102(1-D)	\$29,290,000	\$28,996,000	\$28,646,000	\$29,370,000	F			
65	Exclusion of Capital Gains on Sales of Principal Residences	5102(1-D)	\$25,504,000	\$28,029,000	\$28,129,000	\$29,473,000	F			
66	Exclusion of Medicare Benefits -- Hospital Insurance -- Supplementary Medical Insurance -- Prescription Drug Insurance	5102(1-D)	\$68,159,000	\$78,504,000	\$78,803,000	\$82,009,000	F			
67	Social Security and Railroad Retirement Benefits Untaxed at the Federal Level	5102(1-D)	\$36,687,000	\$43,337,000	\$45,351,000	\$46,948,000	F			
	Other conformity items	5102(1-D)	\$150 to 250 million per year			F				

Tax Expenditure Programs Impacting General Fund Revenue from Income Taxes with a Tax Policy Principle other than "Conformity"

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRS §	Year Enacted (Statute)	Expenditure Type (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss	Beneficiary Size (Red Book)	Beneficiary Size Coded	Tax Policy Principle (Red Book)	Reason(s) for Exemption (Red Book)	Who does the Expenditure Serve? (OPEGA Analysis)		For Incentives, what is being Encouraged? (OPEGA Analysis)	
					FY'12	FY'13	FY'14	FY'15							Individual vs. Corporations	Specific Sub-population?	Encouraging What?	Encouraging What Category?
8	Deduction for Affordable Housing	5122(2)(Z)	2007	Deduction	D	D	D	D	D	Estimate based on MRS data warehouse	Fewer than 20	B	Incentive	Exemption is granted to claimants to encourage the preservation of affordable housing; it is expected to expand access to housing for young professional and families	Individuals (Residents)	Individuals who reside in certified multifamily affordable housing	Affordable Housing	Other
9	Deduction for Social Security Benefits Taxable at Federal Level	5122(2)(C)	1989	Deduction	\$50,129,600	\$52,737,350	\$55,215,900	\$57,500,650	F	Estimate based on information from the MRS data warehouse and individual income micro-simulation tax model	Estimated 77,500	H	Tax Relief	Excludes social security and railroad retirement benefits from taxable income	Individuals (Residents)	Collecting SS and Railroad Benefits	N/A	N/A
10	Deduction for Contributions to Capital Construction Funds	5122(2)(I)	1997	Deduction	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Fewer than 1,000	E	Incentive	An incentive for taxpayers involved in fishing operations for future maintenance or replacements of fishing vessels	Individuals (Residents)	Fishing	Fishing (maintenance or replacement of fishing vessels)	Agriculture / Aquaculture
11	Deduction for Premiums Paid for Long-Term Health Care Insurance	5122(2)(L)&(T)	2003	Deduction	\$1,871,000	\$1,913,000	\$1,962,000	\$2,001,000	D	Estimate is based on information from the MRS data warehouse and the individual income micro-simulation tax model	Approximately 15,000	G	Incentive	Provides an incentive for taxpayers to save towards extraordinary medical expenses	Individuals (Residents)	N/A	Savings for Medical Care	Health/Care
12	Deduction for Pension Income	5122(2)(M)	2011	Deduction	\$15,200,000	\$15,200,000	\$19,640,000	\$30,300,000	F	Estimate is based on information from the MRS data warehouse and the individual income micro-simulation tax model	Approximately 55,000	H	Equity	Provide some degree of equity between public and private pension providers	Individuals (Residents)	Receiving Certain Pension Benefits	N/A	N/A
13	Deduction for Interest and Dividends on Maine State and Local Securities - Individual Income Tax	5122(2)(N)	2001	Deduction	\$120,000	\$120,000	\$120,000	\$120,000	B	Estimate is based on information from the MRS data warehouse and the individual income micro-simulation tax model	Approximately 3,400	F	Incentive	Provides an incentive for investment in Maine state and local bonds	Individuals (Residents)	Investors in State & Local Securities	Investment in State and Local Bonds	Investment
14	Deduction for Holocaust Victim Settlement Payments	5122(2)(O)	2001	Deduction	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Approximately 5	A	Tax Relief	Allows the full amount of compensation received to be used by individuals compensated for holocaust injustices	Individuals (Residents)	Holocaust Victims (receiving settlement payments)	N/A	N/A
15	Deduction For Contributions To IRC 529 Qualified Tuition Plans	5122(2)(Y)	2007	Deduction	\$222,000	\$233,000	\$245,000	\$257,000	C	Estimate is based on information from the MRS data warehouse	Approximately 4,200	F	Incentive	Provides an incentive for Maine taxpayers to save towards future educational expenses for family members	Individuals (Residents)	N/A	Education	Education
16	Deduction for Dentists with Military Pensions	5122(2)(BB)	2011	Deduction	A	A	A	A	A	Estimate based on the fiscal analysis provided to the Legislature	Fewer than 50	B	Incentive	Provides an incentive for certain retired dentists to reestablish their dental practice	Individuals (Residents)	Dentists w Military Pensions	Dental Care by Retired Military	Health/Care
17	Deduction for Active Duty Military Pay Earned Outside of Maine	5122(2)(LL)	2011	Deduction	\$0	\$0	\$780,000	\$1,972,000	D	Estimate based on the fiscal analysis provided to the Legislature	Between 2,000 and 3,000	F	Tax Relief	Provides tax relief to active duty military servicemembers who are residents of Maine	Individuals (Residents)	Active Duty Military Personnel	N/A	N/A
19	Additional standard deduction for the elderly and disabled	5214-A	2012	Deduction	\$4,772,000	\$4,694,000	\$4,518,000	\$4,646,000	E	Estimate is based on data from MRS individual income micro-simulation tax model	Approximately 49,000	G	Tax Relief	Provides tax relief to the elderly and blind	Individuals (Residents)	Blind / Elderly	N/A	N/A

Tax Expenditure Programs Impacting General Fund Revenue from Income Taxes with a Tax Policy Principle other than "Conformity"

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Year Enacted (Statute)	Expenditure Type (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss	Beneficiary Size (Red Book)	Beneficiary Size Coded	Tax Policy Principle (Red Book)	Reason(s) for Exemption (Red Book)	Who does the Expenditure Serve? (OPEGA Analysis)		For Incentives, what is being Encouraged? (OPEGA Analysis)	
					FY'12	FY'13	FY'14	FY'15							Individual vs. Corporations	Specific Sub-population?	Encouraging What?	Encouraging What Category?
21	Credit for Income Tax Paid to Other State by an Estate or Trust	5165	1989	Credit	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	N/A	N/A	Double-Taxation	Prevents double taxation at the state level for Maine resident taxpayers with non-Maine source income	Other (Estates)	Estates	N/A	N/A
22	Deduction for Dividends Received from Nonunitary Affiliates	5200-A(2)(G)	1997	Deduction	\$10,000,000	\$10,000,000	\$10,200,000	\$10,200,000	F	Estimate is based on information from the MRS data warehouse	Approximately 455	E	Equity	Creates greater equity in the treatment (exclusion) of foreign and domestic dividend income in a simplified manner	Corporations	N/A	N/A	N/A
23	Deduction for Interest and Dividends on U.S., Maine State and Local Securities	5200-A(2)(A)&(G)	2001	Deduction	\$225,000	\$225,000	\$300,000	\$320,000	C	Estimate is based on information from the MRS data warehouse	Approximately 250	D	Incentive	Provides an incentive for corporations to invest in federal, Maine state and local obligations	Corporations	N/A	Investment in obligations	Investment
24	Credit to Beneficiary for Accumulation Distribution	5214-A	1985	Credit	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	N/A	N/A	Double-Taxation	Eliminates double taxation of income on which a trust has already paid the Maine income tax in a prior year	Individuals (Residents)	Trust Beneficiaries	N/A	N/A
25	Jobs and Investment Tax Credit	5215	1977	Credit	C	C	C	C	C	Estimate is based on information from the MRS data warehouse. The estimate is a range because the amount of the credit taken has been highly variable in recent years.	Fewer than 10	A	Incentive	Provides an incentive to businesses to make substantial capital investments in the state	Corporations	Large Business (over \$5M investment or 100 jobs)	Capital Investment	Investment
26	Seed Capital Investment Tax Credit	5216-B	1987	Credit	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	D	Estimate is based on information from the MRS data warehouse	Approximately 250	D	Incentive	Provides an incentive for investment in small businesses in Maine	Corporations	N/A	Investment in Small Businesses	Investment / Economic Development
27	Credit for Contributions to Family Development Account Reserve Funds	5216-C	1999	Credit	A	A	A	A	A	Estimate is based on information from the MRS data warehouse	Fewer than 10	A	Incentive	Provides an incentive for savings by low income households	Individuals	Low-income Households	Savings by Low-income	Other
28	Credit for Employer-Assisted Day Care	5217	1987	Credit	A	A	A	A	A	Estimate is based on information from the MRS data warehouse	Fewer than 30	B	Incentive	Provides an incentive for employers to become more involved in the provision of day care for their employees.	Corporations	N/A	Employer Provided Daycare	Other
29	Credit for Income Tax Paid to Other Jurisdiction	5217-A	1987	Credit	\$41,640,000	\$42,940,000	\$46,160,000	\$48,480,000	F	Estimate is based on information from the MRS data warehouse and the individual income micro-simulation tax model	Approximately 13,500	G	Double-Taxation	Prevents a hardship in the form of double taxation to the citizens of Maine	Individuals (Residents)	N/A	N/A	N/A
30	Credit for Employer-Provided Long-Term Care Benefits	5217-C	1999	Credit	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Fewer than 5	A	Incentive	provides an incentive to employers to provide their employers with long-term care benefits	Corporations	N/A	Employer Provided Long Term Care Benefits	Health/Care
31	Credit for Educational Opportunity	5217-D	2007	Credit	\$570,000	\$1,740,000	\$3,530,000	\$5,210,000	E	Estimate is based on MRS data warehouse and additional analysis. Revenue estimates for this credit are highly uncertain and may be significantly understated.	Approximately 575 (estimated to rise in future years)	E	Incentive	Provides an incentive to grads of Maine colleges and universities to stay in Maine after graduation and for employers to hire Maine college grads.	Both	Graduates of Maine Colleges / Universities & Employers who Hire Them	Education (retain recent college graduates in ME)	Education

Tax Expenditure Programs Impacting General Fund Revenue from Income Taxes with a Tax Policy Principle other than "Conformity"

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Year Enacted (Statute)	Expenditure Type (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss	Beneficiary Size (Red Book)	Beneficiary Size Coded	Tax Policy Principle (Red Book)	Reason(s) for Exemption (Red Book)	Who does the Expenditure Serve? (OPEGA Analysis)		For Incentives, what is being Encouraged? (OPEGA Analysis)	
					FY'12	FY'13	FY'14	FY'15							Individual vs. Corporations	Specific Sub-population?	Encouraging What?	Encouraging What Category?
32	Income Tax Credit for Child Care Expense	5218	1987	Credit	\$3,832,000	\$3,878,000	\$3,924,000	\$3,972,000	E	Estimate is based on data from MRS individual income micro-simulation tax model	Approximately 26,000	G	Tax Relief	Helps taxpayers to be gainfully employed by providing tax relief for working parents, especially lower income single parents	Individuals	Working Parents	N/A	N/A
34	Forest Management Planning Income Credits	5219-C	1989	Credit	\$70,000	\$70,000	\$70,000	\$70,000	B	Estimate is based on information from the MRS data warehouse and the individual income micro-simulation tax model	Approximately 320	E	Incentive	Provides an incentive to practice good forest mgmt. by allowing a credit for all or a portion of the cost of the program	Both	Forest Mgmt. Planning Costs	Good Forest Mgmt.	Agriculture / Aquaculture
35	Research Expense Tax Credit	5219-K	1995	Credit	\$850,000	\$850,000	\$850,000	\$850,000	C	Estimate is based on information from the MRS datahouse	Approximately 85	C	Incentive	Provides an incentive to encourage Maine businesses to invest in research and development in Maine	Corporations	Research & Development	Research & Development	Economic Development
36	Super Credit for Substantially Increased Research & Development	5219-L	1997	Credit	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	E	Estimate is based on information from the MRS data warehouse	Approximately 85	C	Incentive	Provides an incentive for businesses to substantially increase investment in research and development in Maine	Corporations	Research & Development	Research & Development	Economic Development
37	High-Technology Investment Tax Credit	5219-M	1997	Credit	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	D	Estimate is based on information from the MRS data warehouse	Approximately 60	C	Incentive	Provides an incentive for businesses to invest in equipment that is used in high-technology business activity	Corporations	High-Technology	Investment	Other
38	Credit for Dependent Health Benefits Paid	5219-O	1997	Credit	A	A	A	A	A	Estimate is based on information from the MRS data warehouse	Fewer than 5	A	Incentive	Provides an incentive for small employers to provide health insurance coverage to low-income employees	Corporations	Small Businesses	Employer Provided Healthcare	Health/Care
39	Quality Child Care Investment Credit	5219-Q	1999	Credit	A	A	A	A	A	Estimate is based on information from the MRS data warehouse	Approximately 10	A	Incentive	Provides an incentive for the provision of quality child care services in Maine	Corporations	Child Care Providers	Quality Child Care	Other
40	Credit for Rehabilitation of Historic Properties	5219-R & 5219-BB	1999	Credit	\$3,900,000	\$7,200,000	\$8,600,000	\$7,900,000	F	Estimate is based on data from MRS data warehouse and on fiscal analysis provided to the Legislature	Approximately 125	D	Incentive	Designed to enlist private funds for the rehabilitation of historic properties	Both	Investors in the rehabilitation of Historic Properties	Rehabilitation of Historic Properties	Other
41	Earned Income Credit	5219-S	1999	Credit	\$3,026,000	\$1,701,000	\$877,000	\$937,000	C	Estimate is based on information from the MRS data warehouse and the individual income micro-simulation tax model	Estimated 18,000	G	Incentive	Creates incentive for individuals to enter the workforce. It raises the after-tax income of lower and moderate income families, especially those with dependents	Individuals	N/A	Entrance into Workforce	Economic Development
42	Pine Tree Development Zone Tax Credit	5219-W	2003	Credit	\$3,350,000	\$3,330,000	\$3,300,000	\$3,300,000	E	Estimate is based on information from the MRS data	Approximately 70	C	Incentive	Provides an incentive for economic development in Maine	Corporations	Businesses in Pine Tree Development Zones	Economic Development	Economic Development
43	Biofuel Commercial Production and Commercial Use	5219-X	2003	Credit	A	A	A	A	A	Estimate is based on information from the MRS data warehouse	Fewer than 5	A	Incentive	Provides an incentive for the production of biofuels in the state	Corporations	Biofuel	Production of Biofuel	Economic Development

Tax Expenditure Programs Impacting General Fund Revenue from Income Taxes with a Tax Policy Principle other than "Conformity"

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRS §	Year Enacted (Statute)	Expenditure Type (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss	Beneficiary Size (Red Book)	Beneficiary Size Coded	Tax Policy Principle (Red Book)	Reason(s) for Exemption (Red Book)	Who does the Expenditure Serve? (OPEGA Analysis)		For Incentives, what is being Encouraged? (OPEGA Analysis)	
					FY'12	FY'13	FY'14	FY'15							Individual vs. Corporations	Specific Sub-population?	Encouraging What?	Encouraging What Category?
44	Tax Benefits for Media Production Companies	5219-Y, c. 919-A	2005	Reimbursement & Credit	B	B	B	B	B	analysis provided to the Legislature and the program applicants that have	Approximately 10	A	Incentive	Provides an incentive for media production activity in the state	Corporations	Media Production Companies	Media Production	Economic Development
45	Dental Care Access Credit	5219-BB	2009	Credit	\$91,000	\$125,000	\$150,000	\$162,000	B	Estimate is based on fiscal analysis provided to the Legislature	Approximately 20	B	Incentive	Provides an incentive for dentists to locate their practice in underserved areas of the state	Corporations	Dentists	Dentist in Underserved Areas	Health/Care
46	New Markets Capital Investment Credit	5219-HH	2011	Credit	\$0	\$0	\$0	\$5,600,000	E	Estimate is based on fiscal analysis provided to the Legislature	N/A	N/A	Incentive	Encourage new investment in economically distressed areas of the State	Corporations	Investors in Economically Depressed Areas of the State	Economic Development	Economic Development
47	Credit for Wellness Programs	5219-FF	2011	Credit	\$0	\$0	\$79,000	\$318,000	C	Estimate is based on fiscal analysis provided to the Legislature	N/A	N/A	Incentive	Encourage small employers to establish a wellness program	Corporations	Small Businesses (< 20 employees)	Employer Provided Wellness Programs	Health/Care
48	Maine fishery infrastructure investment tax credit	5216-D	2011	Credit	\$11,250	\$55,000	\$95,000	\$135,000	C	Estimate is based on fiscal analysis provided to the Legislature	N/A	N/A	Incentive	Encourage investment in and contributions to infrastructure improvements and facilities that enhance the State's fisheries	Both	Fishing	Fishing Infrastructure	Agriculture / Aquaculture
49	Innovation Finance Credit	5219-EE	2009	Credit	\$0	\$0	*	*		Estimate is based on fiscal analysis provided to the Legislature	N/A	N/A	Incentive	Encourages MainePERS to invest in innovative businesses	Corporations	Innovative Businesses	Innovative Businesses	Investment / Economic Development
50	Employment Tax Increment Financing, including certain Job Increment Financing Programs	Chapter 917	1995	Reimbursement	\$9,186,000	\$10,486,000	\$10,839,000	\$10,599,000	F	Estimate is based on information from the MRS data warehouse and the individual income micro-simulation tax model	Approximately 105	D	Incentive	Provides incentives for businesses to hire new employees with a designated level of wages, health and retirement benefits	Corporations	N/A	Practice of Employment w Set Benefits	Economic Development / Health/Care
52	Shipbuilding Facility Credit	Chapter 919	1997	Credit	\$2,968,750	\$2,968,750	\$2,968,750	\$2,968,750	D	Estimate is based on data from the MRS data warehouse	Fewer than 5	A	Incentive	Encourages major investment in shipbuilding projects in Maine	Corporations	Ship-building	Ship-Building	Other

Tax Expenditure Programs Impacting General Fund from Reimbursements to Municipalities for Forgone Property Taxes

Page in Red Book	Expenditure Program Name	Statutory Ref 36 MRSA §	Year Enacted	Expenditure Type (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss	Beneficiary Size (Red Book)	Beneficiary Size Coded	Tax Policy Principle (Red Book)	Reason(s) for Exemption (Red Book)	Who does the Expenditure Serve? (OPEGA Analysis)		For Incentives, what is being Encouraged (OPEGA Analysis)	
					FY'12	FY'13	FY'14	FY'15							Individual vs. Corporations	Specific Sup-population?	Encouraging What?	Encouraging What Category?
4	Reimbursement For Business Equipment Tax Exemption to Municipalities (BETE)	691	2005	Exemption	\$19,120,021	\$21,372,102	\$22,575,498	\$27,103,362	F	Estimates based on Revenue Forecasting Committee	Fewer than 3,000	F	Incentive	Provides an incentive for business to make new investments that will foster economic development	Corporations	N/A	Economic Development	Economic Development
5	Reimbursement for Taxes Paid on Certain Business Property (BETR)	Chapter 915	1995	Reimbursement	\$52,902,995	\$47,632,583	\$42,450,000	\$38,850,000	F	Estimates based on Revenue Forecasting Committee	Approximately 2,000	F	Incentive	Provides an incentive for business investment and subsequent economic development	Corporations	N/A	Economic Development	Economic Development
6	Maine Residents Property Tax Program	Chapter 907	2005	Reimbursement	\$43,411,086	\$43,081,877	\$56,696,276	\$59,510,503	F	Estimate based on MRS individual income micro-simulation tax model and the MRS data warehouse	Approximately 90,000	H	Tax Relief	Provides property tax relief to certain Maine residents	Individuals (Residents)	Low-income & Elderly	N/A	N/A

Modifications to all of these programs are currently in progress and are expected to result in decreased revenue losses that are not reflected in the fiscal data captured in this workbook

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15						
68	Sales to the State & Political Subdivisions	1760.2	1,024	\$161,840,080	\$165,076,881	\$168,378,419	\$171,745,988	F	State and local government expenditures as reported in the Statistical Abstract of the United States	The State does not impose sales tax on itself and it provides additional funding to its political subdivisions and schools through this sales tax exemption	Recognizes historical decision of one level of government not taxing another.	Government	Government
69	Grocery Staples	1760.3	N/A	\$78,299,000	\$79,980,500	\$81,700,000	\$83,410,000	F	Sales tax micro-simulation model	Necessity of Life	Exempts most food purchases	Necessity of Life	Necessity of Life
70	Ships Stores	1760.4	N/A	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	The ships are engaged in interstate and / or foreign commerce	If these items are taxed in Maine, purchasers will simply buy elsewhere, thereby having a negative impact on a Maine business.	Business / Interstate Competition	Interstate Competition
71	Prescription Drugs	1760.5	N/A	\$15,912,500	\$16,216,500	\$16,558,500	\$16,919,500	F	Sales tax micro-simulation model	Necessity of Life	Exempts drugs for serious illness	Medical Necessity	Necessity of Life
72	Prosthetic Devices	1760.5-A	N/A	\$4,778,500	\$4,921,000	\$5,082,500	\$5,244,000	E	Information from sales tax returns and Federal Statistics	Necessity of Life	Exempts certain medical devices	Medical Necessity	Necessity of Life
73	Meals Served by Public or Private Schools	1760.6-A	N/A	\$10,678,000	\$10,891,560	\$11,109,391	\$11,331,579	F	Estimate of the cost of meals served in schools	Subsidize the provision of meals to students and teachers at schools	Recognizes historical decision not to tax education providers.	Education	Education
74	Meals Served to Patients in Hospitals & Nursing Homes	1760.6-B	N/A	\$4,085,000	\$4,208,500	\$4,360,500	\$4,522,000	E	Sales tax micro-simulation model	Necessity of Life	Recognizes meals served to patients are different than restaurant meals.	Medical Necessity	Necessity of Life
75	Providing Meals for the Elderly	1760.6-C	78	\$323,190	\$324,806	\$326,430	\$328,063	C	Estimate is based on the numbers of meals served in FY12 and the average cost of each meal served in FY02-03	Exemption supports the provision of meals to the elderly	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	N/A	Charitable
76	Providing Meals to Residents of Certain Nonprofit Congregate Housing Facilities	1760.6-D	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Exemption supports the provision of meals to the elderly	N/A	Charitable	Charitable
77	Certain Meals Served by Colleges to Employees of the College	1760.6-E	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	To eliminate the need for colleges to have to determine which purchases are taxable and which are exempt when a debit card issued by the college is being used to purchase meals	N/A	N/A	Administrative Burden
78	Meals Served by Youth Camps that are Licensed by DHHS	1760.6-F	N/A	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	Subsidize the sale of prepared meals at certain youth camps	N/A	N/A	Charitable

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15						
79	Meals Served by a Retirement Facility to its Residents	1760.6-G	N/A	\$1,299,600	\$538,175	\$554,320	\$570,950	C	Estimate revenue loss based on audit information	Exemption supports the provision of meals to the elderly	N/A	N/A	Charitable
80	Products Used in Agricultural and Aquacultural Production & Bait	1760.7	N/A	\$2,745,500	\$2,793,000	\$2,859,500	\$2,926,000	D	Sales tax micro-simulation model	Provide funding to the agricultural, aquacultural and commercial fishing industries through a sales tax exemption	Recognizes that agriculture and aquaculture are just as important to Maine as manufacturing and good tax policy prohibits taxing the basic components used in these industries.	Industry Competition / Pyramiding	Industry Competition
81	Certain Jet Fuel	1760.8-B	N/A	\$2,935,636	\$3,023,705	\$3,114,415	\$3,207,848	E	Number of gallons of jet fuel sold, which is reported on motor fuel tax returns	Fuel is subject to an excise tax when used for domestic flights	If this fuel is taxed in Maine, purchasers will simply buy elsewhere, thereby having a negative impact on a Maine business.	Business / Interstate Competition	Interstate Competition
82	Coal, Oil & Wood for Cooking & Heating Homes	1760.9	N/A	\$35,292,500	\$35,720,000	\$36,375,500	\$37,135,500	F	Sales tax micro-simulation model	Necessity of Life	Exempts most fuels used for cooking and heating in homes	Necessity of Life	Necessity of Life
83	Fuel Oil for Burning Blueberry Land	1760.9-A	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide support for the blueberry industry	Recognizes that this is an important component in production of this major crop	Industry Competition / Pyramiding	Industry Competition
84	First 750 KW Hours of Residential Electricity Per Month	1760.9-B	N/A	\$24,985,000	\$25,365,000	\$25,745,000	\$26,125,000	F	Sales tax micro-simulation model	Necessity of Life	Exempts most households from sales tax on electricity	Necessity of Life	Necessity of Life
85	Gas When Used for Cooking & Heating in Residences	1760.9-C	N/A	\$4,531,500	\$4,607,500	\$4,693,000	\$4,740,500	E	Sales tax micro-simulation model	Necessity of Life	Treats gas like coal, oil and wood when used in residences other than hotels and motels	Necessity of Life	Necessity of Life
86	Fuel and Electricity Used in Manufacturing	1760.9-D	N/A	\$24,456,915	\$24,701,484	\$25,195,513	\$25,699,424	F	Data is collected from sales and use tax returns	Provide an economic development incentive to manufacturer by subsidizing their purchases of fuel and electricity used at manufacturing facilities	Recognizes electricity is a critical component of the manufacturing process and taxing it would only add to the cost of the final product thereby increasing the sales tax due (i.e. a tax on a tax). Many states exempt some or all of the sale of electricity.	Economic Development / pyramiding	Economic Development
87	Fuel Oil or Coal which become an Ingredient or Component Part	1760.9-G	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Avoid pyramiding of the sales tax	N/A	N/A	Pyramiding
88	Certain Returnable Containers	1760.12	N/A	\$1,249,936	\$1,287,434	\$1,326,057	\$1,365,839	D	N/A	Decision was made not to impose the sales tax on returnable bottle and can deposits	Returnable containers are really part of the sale; to tax them would only add to the cost of the final product thereby increasing the sales tax due (i.e. a tax on a tax).	Pyramiding	Pyramiding
89	Packaging Materials	1760.12-A	N/A	\$10,003,500	\$10,174,500	\$10,459,500	\$10,773,000	F	Sales tax micro-simulation model	Subsidize the purchase of packaging materials by businesses	Packaging materials are really part of the sale; to tax them would only add to the cost of the final product thereby increasing the sales tax due (i.e. a tax on a tax).	Pyramiding	Pyramiding

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15						
90	Publications Sold on Short Intervals	1760.14	N/A	\$4,227,500	\$4,313,000	\$4,398,500	\$4,484,000	E	Sales tax micro-simulation model	Subsidize the purchase of newspapers and magazine	Recognizes historical perception of collection difficulties and avoidance of "free press" issues.	Administrative Burden	Administrative Burden
91	Sales to Hospitals, Research Centers, Churches and Schools	1760.16	see p. 92 of Red Book for breakdowns	F	F	F	F	F	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes historical decision to exempt "hospital, schools, and churches."	Education / Charitable	Charitable
93	Rental Charges for Living Quarters in Nursing Homes and Hospitals	1760.18	N/A	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	Necessity of Life	Recognizes difference between renting a room in a nursing home and renting a room in a hotel or motel.	Medical Necessity	Necessity of Life
94	Sales to Certain Nonprofit Residential Child Care Institutions	1760.18-A	48	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
95	Rental of Living Quarters at Schools	1760.19	N/A	E	E	E	E	E	Revenue loss is estimated as a range of possible values because little or no data is available	Provide financial assistance to students by exempting rental charges for living quarters at schools from the sales tax	Exempts school dorms from the sales tax on lodging	Education	Education
96	Rental Charges on Continuous Residence for More Than 28 Days	1760.20	N/A	\$20,624,500	\$20,767,000	\$20,890,500	\$20,957,000	F	Sales tax micro-simulation model	Necessity of Life	Recognizes difference between renting a room in certain locations as a primary residence and renting a room in a hotel or motel on a temporary basis.	Administrative Burden / Necessity	Necessity of Life
97	Automobiles Used in Driver Education Programs	1760.21	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Subsidize driver education programs offered by secondary schools	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Education	Education
98	Certain Loaner Vehicles	1760.21-A	N/A	\$228,000	\$232,560	\$237,211	\$241,956	B	Review of audit activity	Certain motor vehicle dealers are providing the short-term use of loaner vehicles free of charge to certain service customers pursuant to a manufacturer's warranty	N/A	N/A	Undetermined

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15						
99	Automobiles Sold to Amputee Veterans	1760.22	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Subsidize the purchase of automobiles by amputee veterans	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
100	Certain Vehicles Purchased or Leased by Nonresidents	1760.23-C	N/A	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	The vehicles are being purchased or leased by nonresidents	If these items are taxed in Maine, purchasers from other locations, especially New Hampshire, will simply buy elsewhere, thereby having a negative impact on a Maine business.	Interstate Competition	Interstate Competition
101	Certain Vehicles Purchased or Leased by Qualifying Resident Businesses	1760.23-D	N/A	\$845,500	\$862,410	\$879,658	\$897,251	C	Review of audit activity	The vehicles are being purchased or leased by qualifying resident businesses for use outside of this State	N/A	N/A	Undetermined
102	Funeral Services	1760.24	N/A	\$3,524,500	\$3,638,500	\$3,762,000	\$3,885,500	E	Sales tax micro-simulation model	Necessity of Life	Recognizes peoples unwillingness to pay sales tax over something which they have no control	Necessity of Life	Necessity of Life
103	Watercraft Purchased by Nonresidents	1760.25	N/A	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	Economic Development	If these items are taxed in Maine, purchasers from other locations, especially New Hampshire, will simply buy elsewhere, thereby having a negative impact on a Maine business.	Interstate Competition	Interstate Competition
104	Snowmobiles & All-terrain Vehicles Purchased by Nonresidents	1760.25-A	N/A	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Economic Development	If these items are taxed in Maine, purchasers from other locations, especially New Hampshire, will simply buy elsewhere, thereby having a negative impact on a Maine business.	Interstate Competition	Interstate Competition
105	Sales to Ambulance Services & Fire Departments	1760.26	106 (70 Fire / 36 Ambulance)	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
106	Sales to Comm. Mental Health, Substance Abuse & Mental Retardation Facilities	1760.28	441 (220 MH / 221 MR)	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15						
107	Water Pollution Control Facilities	1760.29	N/A	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	Subsidize the installation of pollution control facilities	Recognizes (1) that the State should not profit through sales taxes from state imposed environmental policy mandates; and (2) exemption provides incentives to business to add these facilities faster than they otherwise might.	Economic Development	Undetermined
108	Air Pollution Control Facilities	1760.30	N/A	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	Subsidize the installation of pollution control facilities	Recognizes (1) that the State should not profit through sales taxes from state imposed environmental policy mandates; and (2) exemption provides incentives to business to add these facilities faster than they otherwise might.	Economic Development	Undetermined
109	Machinery & Equipment	1760.31	N/A	\$21,663,990	\$21,915,360	\$22,325,760	\$22,778,910	F	Sales tax micro-simulation model	Provide an economic development incentive to manufacturer by subsidizing their purchases of machinery and equipment used at manufacturing facilities	Recognizes that machinery and equipment used in manufacturing is just as valuable as components themselves and the exemption enables Maine business to compete.	Economic Development / Pyramiding	Economic Development
110	New Machinery for Experimental Research	1760.32	N/A	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Provide an economic development incentive by subsidizing the purchase of these goods	Treats machinery and equipment used for research as necessary for the research itself.	Educational	Economic Development
111	Diabetic Supplies	1760.33	N/A	\$956,608	\$985,307	\$1,014,866	\$1,045,363	D	Estimate is based on sales tax statistics	Necessity of Life	Treats diabetic supplies like prescription drugs.	Medical Necessity	Necessity of Life
112	Sales Through Coin Operated Vending Machines	1760.34	N/A	\$417,406	\$425,755	\$434,270	\$442,955	C	Estimate is based on sales tax statistics	Lower the administrative burden on vending machine companies	Recognizes difficulty of collecting tax at point of sale	Administrative Burden	Administrative Burden
114	Goods & Services for Seeing Eye Dogs	1760.35	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Necessity of Life	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
115	Sales to Regional Planning Agencies	1760.37	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes historical decision of one level of government not taxing another.	Government	Government
116	Water Used in Private Residences	1760.39	N/A	\$8,160,500	\$8,227,000	\$8,284,000	\$8,331,500	F	Sales tax micro-simulation model	Necessity of Life	Treats water like food.	Necessity of Life	Necessity of Life
117	Mobile & Modular Homes	1760.40	N/A	\$17,560,243	\$17,735,845	\$18,001,883	\$18,271,911	F	Estimate based on information from sales tax returns	Necessity of Life	Allows mobile home builders to compete with on-site home builders on a level playing field.	Necessity / Industry Competition	Industry Competition

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)					Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15							
118	Property Used in Interstate Commerce	1760.41	N/A	D	D	D	D	D	Revenue loss is estimated as a range of possible values because little or no data is available	Interstate Commerce	If these items are taxed in Maine, purchasers will simply buy and register their vehicles elsewhere, thereby having a negative impact on Maine business. Enables Maine truckers to compete.	Interstate Competition	Interstate Competition	
119	Sales to Historical Societies & Museums	1760.42	371	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable	
120	Sales to Day Care Centers & Nursery Schools	1760.43	189	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Education / Charitable	Education	
121	Sales to Church Affiliated Residential Homes	1760.44	5	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable	
122	Certain Property Purchased Out of State	1760.45	N/A	D	D	D	D	D	Revenue loss is estimated as a range of possible values because little or no data is available	Exempt property that was purchased and used out-of-state before it was brought into this State	Allows "new" Maine residents to move into the state without incurring a use tax liability on their existing possessions.	Administrative Burden	Undetermined	
124	Sales to Organ. that Provide Residential Facilities for Med. Patients	1760.46	4	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable	
125	Sales to Emergency Shelters & Feeding Organizations	1760.47-A	93	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable	
126	Sales to Comm. Action Agencies; Child Abuse Councils; Child Advocacy Orgs.	1760.49	23 (CANCs / 11 CAAs / 2 Medicaid Advisory)	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes historical decision of one level of government not taxing another.	Government / Charity	Charitable	

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15						
127	Sales to any Nonprofit Free Libraries	1760.50	265	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Government / Charity	Charitable
128	Sales to Veterans Memorial Cemetery Associations	1760.51	3	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
129	Railroad Track Materials	1760.52	N/A	\$323,000	\$332,500	\$351,500	\$361,000	C	Estimate based on information from sales tax returns	Subsidizes the purchase of track materials	Enables railroads to compete with publicly subsidized trucking industry and encourages improvements in track roadbed.	Interstate Competition	Interstate Competition
130	Sales to Nonprofit Rescue Operations	1760.53	14	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
131	Sales to Hospice Organizations	1760.55	28	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
132	Sales to Nonprofit Youth & Scouting Organizations	1760.56	287 (271 Youth Athletic Organizations / 16 National Scouting Organizations)	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
133	Self-Help Literature on Alcoholism	1760.57	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Subsidize the sale of this literature by AA groups through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
134	Portable Classrooms	1760.58	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Subsidize the cost of portable classrooms that are to be leased to schools	Recognizes historical decision to exempt education providers.	Educational	Education

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)					Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15							
135	Sales to Certain Incorporated, Nonprofit Educational Orgs.	1760.59	2	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable / Education	Education	
136	Sales to Incorporated Nonprofit Animal Shelters	1760.60	61	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable	
137	Construction Contracts with Exempt Organizations	1760.61	N/A	D	D	D	D	D	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable	
138	Sales to Certain Charitable Suppliers of Medical Equipment	1760.62	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Provide funding to organizations through an exemption from the sales tax exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable	
139	Sales to Orgs that Fulfill the Wishes of Children with Life-Threatening Diseases	1760.63	9	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable	
140	Sales by Schools & School-Sponsored Organizations	1760.64	N/A	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	Provide support for schools and school-sponsored organizations when they are making sales to raise money to benefit the school, student organizations or charity	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Education / Charitable	Education	
141	Sales to Monasteries and Convents	1760.65	53	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes "church" exemption for church like organizations.	Charitable	Charitable	
142	Sales to Providers of Certain Support Systems for Single-Parent Families	1760.66	18	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable	

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15						
143	Sales to Nonprofit Home Construction Organizations	1760.67	30	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
144	Sales to Orgs that Create & Maintain a Registry of Vietnam Veterans	1760.69	0	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
145	Sales to Orgs that Provide Certain Services for Hearing-Impaired Persons	1760.70	7	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
146	Sales to State-Chartered Credit Unions	1760.71	108 (14 State Chartered Credit Unions / 94 Federal Chartered Credit Unions exempt by Federal law)	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide state chartered credit unions with the same sales tax exemption that federal chartered credit unions have by federal law	Allows state chartered credit unions to compete on a level playing field with federally chartered credits unions.	Increasing Competition / Industry Competition	Industry Competition
147	Sales to Nonprofit Housing Development Organizations	1760.72	135	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
148	Seedlings for Commercial Forestry Use	1760.73	N/A	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Subsidize the purchase of tree seedlings to be used in the commercial forest industry	Recognizes these seedlings as vital components in forest industry. Taxing this would only add to the cost of the final product, thereby increasing the sales tax due (i.e. a tax on a tax).	Pyramiding	Pyramiding
149	Property Used in Manufacturing Production	1760.74	N/A	\$98,621,400	\$99,836,640	\$101,706,240	\$103,770,590	F	Sales tax micro-simulation model	Avoid pyramiding of the sales tax	Enables Maine business to compete. Very few (if any) states tax this type of transaction because good tax policy prohibits taxing at this level. Taxing these sales would only add to the cost of the final product, thereby increasing the sales tax due (i.e. a tax on a tax).	Pyramiding / Interstate Competition	Interstate Competition

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15						
150	Meals & Lodging Provided to Employees	1760.75	N/A	\$143,450	\$145,350	\$146,300	\$147,250	B	Sales tax micro-simulation model and sales tax statistics	Value of meals or lodging is allowed as a credit toward the wages of employees	Treats these otherwise taxable transactions like wages	Administrative Burden	Administrative Burden
151	Certain Aircraft Parts	1760.76	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Economic Development	If these items are taxed in Maine, purchasers will simply buy elsewhere, thereby having a negative impact on a Maine business.	Economic Development / Interstate Competition	Interstate Competition
152	Sales to Eye Banks	1760.77	1	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
153	Sales of Certain Farm Animal Bedding & Hay	1760.78	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide support to farmers by subsidizing the purchase of these items	N/A	N/A	Economic Development
154	Electricity Used for Net Billing	1760.8	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	No money is paid to the electricity provider or to the transmission and distribution utility	N/A	N/A	Undetermined
155	Animal Waste Storage Facility	1760.81	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Subsidize the construction of these facilities through an exemption from the sales tax	N/A	N/A	Undetermined
156	Sales of Property Delivered Outside this State	1760.82	N/A	F	F	F	F	F	Revenue loss is estimated as a range of possible values because little or no data is available	The goods are being shipped to a location outside this State	N/A	N/A	Undetermined
157	Sales of Certain Printed Materials	1760.83	N/A	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	The advertising or promotional materials are being transported outside of this State for use by the purchaser solely outside of this State	N/A	N/A	Undetermined

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15						
158	Sales to Centers for Innovation	1760.84	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provide funding to organizations through an exemption from the sales tax	N/A	N/A	Economic Development
159	Certain Sales by an Auxiliary Organization of the American Legion	1760.85	N/A	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Provide support to these organizations by subsidizing their meals and related items and services by exempting them from the sales tax	N/A	N/A	Charitable
160	Pine Tree Development Zone Businesses; Reimbursement of Certain Taxes	2016	N/A	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	Economic Development (in certain regions in the State)	N/A	N/A	Economic Development
161	Sales of Tangible Personal Property to Qualified Development Zone Businesses	1760.87	177	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	Economic Development (in certain regions in the State)	N/A	N/A	Economic Development
162	Sales of Certain Aircraft	1760.88	N/A	\$827,450	\$852,274	\$877,842	\$904,177	C	Sales tax micro-simulation model	Most of these aircraft are in this State for short periods of time	N/A	N/A	Interstate Competition
163	Sale, Use or Lease of Aircraft and Sales of Repair and Replacement Parts	1760.88-A	N/A	\$577,980	\$577,980	\$595,319	\$617,942	C	Revenue loss is estimated as a range of possible values because little or no data is available	Provides an incentive for the purchase, repair and overhaul or rebuilding of aircraft in the State	N/A	N/A	Economic Development
164	Sales of Tangible Personal Property to Qualified Wind Power Generators	1760.89	N/A	A	A	A	A	A	Estimate the number of entities that could use the exemption and their purchases of tangible personal property that would be exempt	Subsidizes the generation of electricity by community wind power generators	N/A	N/A	Undetermined
165	Sales of Certain Qualified Snowmobile Trail Grooming Equipment	1760.90	N/A	\$74,343	\$76,574	\$78,871	\$81,236	B	Estimate the number of entities that could use the exemption and their purchases of tangible personal	Subsidizes the repair and maintenance of snowmobile trails	N/A	N/A	Economic Development

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15						
166	Certain Sales of Electrical Energy	1760.91	N/A	C	C	C	C	C	Revenue loss is estimated as a range of possible values because little or no data is available	The transactions are between a parent corporation and its wholly owned subsidiary	N/A	N/A	Undetermined
167	Certain Vehicle Rentals	1760.92	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	The rental fee is included in the warranty	N/A	N/A	Undetermined
168	Plastic Bags Sold to Redemption Centers	1760.93	N/A	\$225,055	\$27,301	\$28,529	\$29,813	A	Estimate revenue loss based on audit information	Provide funding to organizations through an exemption from the sales tax	N/A	N/A	Undetermined
169	Positive Airway Pressure Equipment & Sales	1760.94	N/A	\$0	\$0	\$269,613	\$279,319	C	Estimate revenue loss based on audit information	Necessity of life	N/A	N/A	Necessity of Life
170	Trade-In Credits	1765	N/A	\$23,098,410	\$24,253,331	\$25,465,997	\$26,739,298	F	Information on tax returns	Value of the trade-in was taxed when the product was originally purchased	Recognizes peoples' perception that the sales price of these types of equipment is the "cash" prize net of the trade-in value and only the cash price should be taxed because a sales tax was payed the first time the item was purchased.	Pyramiding (perceived)	Pyramiding
171	Returned Merchandise Donated to Charity	1863	N/A	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Provides an incentive for donations to nonprofit organizations	Recognizes that agencies that provide certain services in lieu of the state should be exempt from sales taxes so that all funds raised go for direct services.	Charitable	Charitable
172	Merchandise Donated from a Retailer's Inventory to Exempt Organizations	1864	N/A	B	B	B	B	B	Revenue loss is estimated as a range of possible values because little or no data is available	Provides an incentive for donations to exempt organizations	N/A	N/A	Charitable
173	Refund of Sales Tax on Goods Removed from the State	2012	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	The goods are being used outside of the State	Enables business to compete in very specific instances where an item in inventory becomes taxable when removed from inventory but should be exempt when removed from the state. If these items were taxed in Maine, purchasers or users would simply conduct their business elsewhere, thereby having a negative impact on the Maine business.	Interstate Competition	Interstate Competition

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15						
174	Refund of Sales Tax on Certain Depreciable Machinery and Equipment	2013	N/A	\$2,600,992	\$2,681,682	\$2,764,507	\$2,849,532	D	Sales tax micro-simulation and information from sales tax returns	Provides financial support to commercial agriculture, aquaculture, fishing and wood harvesting	Treats the purchase of certain machinery and equipment used in agriculture and aquaculture similar to the purchase of machinery and equipment by manufacturers. Enables Maine people engaged in farming and fishing to compete with those from other states.	Interstate Competition	Interstate Competition
176	Fish Passage Facilities	2014	N/A	A	A	A	A	A	Revenue loss is estimated as a range of possible values because little or no data is available	Provides an incentive for the installation of fish passage facilities	Provides incentives to comply with state policy to ensure fish passage facilities are included in new, reconstructed or redeveloped dams.	Economic Development / Government	Undetermined
177	Reimbursement of Tax to Certain Qualified Wind Power Generators	2017	N/A	A	A	A	A	A	Estimate the number of entities that could use the exemption and their purchases of tangible personal property that would be exempt	Subsidizes the generation of electricity by community wind power generators	N/A	N/A	Undetermined
178	Refund of Sales Tax on Purchases of Parts and Supplies for Windjammers	2020	N/A	\$0	\$50,540	\$76,000	\$79,800	B	Sales tax micro-simulation model	Provides financial support to the businesses that sell cruises on windjammers	N/A	N/A	Economic Development
179	Barber Shop, Beauty Pallor and Health Club Services	1752.11	N/A	\$5,719,000	\$5,861,500	\$6,004,000	\$6,146,500	F	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision
180	Cleaning, Storage and Repair of Clothing and Shoes	1752.11	N/A	\$2,527,000	\$2,603,000	\$2,688,500	\$2,774,000	D	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision
181	Business and Legal Services Purchased by Consumers	1752.11	N/A	\$19,484,500	\$20,178,000	\$20,919,000	\$21,679,000	F	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision
182	Amusement & Recreational Services	1752.11	N/A	\$22,154,000	\$22,961,500	\$23,845,000	\$24,757,000	F	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision
183	Health Services	1752.11	N/A	\$306,441,500	\$319,789,000	\$334,552,000	\$349,904,000	F	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision
184	Educational Services	1752.11	N/A	\$47,718,500	\$50,853,500	\$54,435,000	\$58,254,000	F	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision
185	Social, Religious, Welfare, Membership and Other Organization Services	1752.11	N/A	\$75,610,500	\$78,954,500	\$82,650,000	\$86,478,500	F	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision
186	Finance, Insurance & Real Estate Services	1752.11	N/A	\$304,000,000	\$312,892,000	\$324,406,000	\$337,022,000	F	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision
187	Professional, Scientific, and Technical Services	1752.11	N/A	\$101,897,000	\$104,215,000	\$108,746,500	\$114,541,500	F	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision
188	Administrative and Support Services	1752.11	N/A	\$63,545,500	\$65,436,000	\$68,656,500	\$72,456,500	F	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision
189	Information Services	1752.11	N/A	\$22,781,000	\$23,436,500	\$24,348,500	\$25,412,500	F	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision
190	Transportation and Warehousing Services	1752.11	N/A	\$49,058,000	\$50,644,500	\$52,687,000	\$54,872,000	F	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision

Tax Expenditure Programs Impacting General Fund Revenue from Sales & Use Taxes Imposed On Consumers

Page in Red Book	Expenditure Program Name	Statutory Reference 36 MRSA §	Number of Exempt Organizations on File (Red Book)	Estimated Revenue Loss (Red Book)				Fiscal Amount Coded	Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)	Reason for Exemption (1997 Report)	Rationale (1997 Report)	Rationale Category (OPEGA Analysis)
				FY'12	FY'13	FY'14	FY'15						
191	Construction Services	1752.11	N/A	\$100,244,000	\$100,510,000	\$101,251,000	\$102,125,000	F	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision
192	Management of Companies and Enterprises Services	1752.11	N/A	\$46,958,500	\$48,184,000	\$49,846,500	\$51,594,500	F	Sales tax micro-simulation model	These services have never been taxed	N/A	N/A	Service Provision
193	Casual Sales	1752.11	N/A	D	D	D	D	D	Revenue loss is estimated as a range of possible values because little or no data is available	These are isolated sales by people who are not in the business of selling goods	Recognizes difficulty to enforce.	Administrative Burden	Administrative Burden
194	Sales by Executors	1752.11	N/A	A	A	A	A	A	estimated as a range of possible values because little or no data is available	These are isolated sales that occur as a result of the settlement of an estate	Treats sale in settlement of an estate like a casual sale.	Administrative Burden	Administrative Burden
195	Repair, Maintenance and Other Labor Service Fees	1752.14	N/A	\$41,781,000	\$42,826,000	\$44,165,500	\$45,657,000	F	Information from tax returns and the sales tax micro-simulation model	A desire to tax only the sale of goods, not the cost of labor charged for repair, maintenance or installation	Sales tax applies to sales of tangible personal property; "labor" in most cases is not tangible personal property	Exclusion	Service Provision

Tax Expenditure Programs Impacting General Fund Revenue from the Service Provider Tax Imposed on Providers of Certain Services

Page in Red Book	General Fund Service Provider Tax Expenditures	Statutory Reference 36 MRSA §	Estimated Revenue Loss (Red Book)				Methods Used to Calculate the Revenue Loss	Reason for Exemption (Red Book)
			FY'12	FY'13	FY'14	FY'15		
197	Basic Cable & Satellite Television Service	2551.2	\$3,980,500	\$4,123,000	\$4,284,500	\$4,455,500	Sales tax micro-simulation model	Provide tax free access to a basic selection of cable and satellite TV channels
198	Certain Telecommunications Services	2557.33, 34	\$9,728,000	\$9,946,500	\$10,279,000	\$10,678,000		Reduces the cost of interstate telephone calls for all consumers and business and is an economic development incentive for business
(1)	Sales to the State & Political Subdivisions	2557.2	D	D	D	D	N/A	N/A
(1)	Sales to Hospitals, Research Centers, Churches and Schools	2557.3	C	C	C	C	N/A	N/A
(1)	Sales to Certain Nonprofit Residential Child Care Institutions	2557.4	A	A	A	A	N/A	N/A
(1)	Sales to Ambulance Services & Fire Departments	2557.5	A	A	A	A	N/A	N/A
(1)	Sales to Comm. Mental Health, Substance Abuse & Mental Retardation Facilities	2557.6	A	A	A	A	N/A	N/A
(1)	Sales to Regional Planning Agencies	2557.7	A	A	A	A	N/A	N/A
(1)	Sales to Historical Societies & Museums	2557.8	A	A	A	A	N/A	N/A
(1)	Sales to Day Care Centers & Nursery Schools	2557.9	A	A	A	A	N/A	N/A
(1)	Sales to Church Affiliated Residential Homes	2557.10	A	A	A	A	N/A	N/A
(1)	Sales to Organ. that Provide Residential Facilities for Med. Patients	2557.11	A	A	A	A	N/A	N/A
(1)	Sales to Emergency Shelters & Feeding Organizations	2557.12	A	A	A	A	N/A	N/A
(1)	Sales to Comm. Action Agencies; Child Abuse Councils; Child Advocacy Orgs.	2557.13	B	B	B	B	N/A	N/A
(1)	Sales to any Nonprofit Free Libraries	2557.14	A	A	A	A	N/A	N/A
(1)	Sales to Veterans Memorial Cemetery Associations	2557.15	A	A	A	A	N/A	N/A
(1)	Sales to Nonprofit Rescue Operations	2557.16	A	A	A	A	N/A	N/A
(1)	Sales to Hospice Organizations	2557.17	A	A	A	A	N/A	N/A
(1)	Sales to Nonprofit Youth & Scouting Organizations	2557.18	B	B	B	B	N/A	N/A
(1)	Sales to Certain Incorporated. Nonprofit Educational Orgs.	2557.19	A	A	A	A	N/A	N/A
(1)	Sales to Certain Charitable Suppliers of Medical Equipment	2557.20	A	A	A	A	N/A	N/A
(1)	Sales to Orgs that Fulfill the Wishes of Children with Life-Threatening Diseases	2557.21	A	A	A	A	N/A	N/A
(1)	Sales to Providers of Certain Support Systems for Single-Parent Families	2557.22	A	A	A	A	N/A	N/A
(1)	Sales to Nonprofit Home Construction Organizations	2557.23	A	A	A	A	N/A	N/A
(1)	Sales to Orgs that Create & Maintain a Registry of Vietnam Veterans	2557.24	A	A	A	A	N/A	N/A
(1)	Sales to Orgs that Provide Certain Services for Hearing-Impaired Persons	2557.25	A	A	A	A	N/A	N/A
(1)	Sales to State-Chartered Credit Unions	2557.26	A	A	A	A	N/A	N/A
(1)	Sales to Nonprofit Housing Development Organizations	2557.27	A	A	A	A	N/A	N/A
(1)	Sales to Eye Banks	2557.28	A	A	A	A	N/A	N/A
(1)	Sales to Centers for Innovation	2557.29	A	A	A	A	N/A	N/A
(1)	Construction contracts with exempt organizations	2557.31	C	C	C	C	N/A	N/A

(1) These programs are listed in Appendix B of the Red Book on Page 212 but there is no separate page of description for them in the Red Book. Consequently, there is no specific information on methods used to calculate the revenue loss or the reason for the exemption. The organizations associated with these sales exemptions under the Service Provider Tax also have exemptions from the Sales and Use Tax. Therefore, it might be inferred that the reason for the exemption from the Service Provider Tax is the same or similar as the reason for the exemption from the Sales and Use tax that is specified under the Sales and Use Tax section of this workbook.

Tax Expenditure Programs Impacting Fund Other than the General Fund from Various Taxes

Page in Red Book	Expenditure Program Name	Statutory Ref 36 MRSA §	Estimated Revenue Loss (Red Book)				Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)
			FY12	FY13	FY14	FY15		
Highway Fund Sales & Use Tax Expenditures								
196	Motor Vehicle Fuel	1760.8A	\$128,933,544	\$121,893,611	\$123,514,731	\$125,160,584	Estimated revenue loss is based on actual and projected fuel tax revenue and estimates of the average prices of motor fuels	Motor fuels are subject to the gasoline tax or the special fuel tax
Highway Fund Gasoline & Special Fuel Tax Expenditures								
199	State and Local Government Exemption from the Gasoline Tax	2903	\$1,815,581	\$1,861,296	\$1,908,462	\$1,957,126	Estimated revenue loss is based on information reported on motor fuel tax returns	Retain funds for other public purposes
200	Gasoline Exported from the State	2903	\$71,173,883	\$71,885,622	\$72,604,478	\$73,330,523	Estimated revenue loss is based on information reported on motor fuel tax returns	The fuel is being exported from the state
201	Refund of the Gasoline Tax for Off-Highway Use and for Certain Bus Cos.	2908	\$338,668	\$958,705	\$960,000	\$960,000	Estimated revenue loss is based on actual refunds issued in FY06	The fuel is being used for off-highway purposes. The exemption of certain bus companies encourage the provision of free transportation to certain persons
202	State & Local Government Exemption from the Special Fuel Tax	3204-A	\$2,248,684	\$2,271,171	\$2,293,883	\$2,316,821	Estimated revenue loss is based on information reported on motor fuel tax returns	Retain funds for other public purposes
203	Distillate Fuel Exported from the State	3204-A	\$17,462,708	\$17,637,335	\$17,813,708	\$17,991,845	Estimated revenue loss is based on information reported on motor fuel tax returns	The special fuel is being exported from the state

Tax Expenditure Programs Impacting Fund Other than the General Fund from Various Taxes

Page in Red Book	Expenditure Program Name	Statutory Ref 36 MRSA §	Estimated Revenue Loss (Red Book)				Methods Used to Calculate the Revenue Loss (Red Book)	Reason for Exemption (Red Book)
			FY12	FY13	FY14	FY15		
204	Refund of the Special Fuel Tax for Off-Highway Use and for Certain Bus Cos.	3218	\$4,506,342	\$4,500,000	\$4,500,000	\$4,500,000	Estimated revenue loss is based on actual refunds issued in FY06	The fuel is being used for off-highway purposes. The exemption of certain bus companies encourage the provision of free transportation to certain persons
State Transit, Aviation and Rail Fund Aeronautical Fuel Tax Expenditures								
205	Excise Tax Exemption on Jet or Turbo Jet Fuel - International Flights	2903	\$354,237	\$357,779	\$361,357	\$364,971	Estimated revenue loss is based on information reported on motor fuel tax returns	Foreign commerce
206	Refund of Excise Tax on Fuel Used in Piston Aircraft	2910	\$21,643	\$22,401	\$23,185	\$23,996	Estimated revenue loss is based on value of refunds issued in FY06	Off-highway use
General Fund Cigarette Tax & Real Estate Transfer Tax Expenditures								
207	Cigarette Stamp Tax Deduction for Licensed Distributors	4366A.2	\$1,497,502	\$1,481,297	\$1,451,430	\$1,422,163	Estimated revenue loss is based on the cigarette tax revenue forecast	Discount provides a subsidy to licensed distributors to help them cover the cost of affixing the tax stamps to packages of cigarettes
(2)	Exemptions of the Real Estate Transfer Tax	4641C	C	C	C	C	N/A	N/A
H.O.M.E. Fund Excise Tax Expenditure								
(2)	Exemptions of the Real Estate Transfer Tax	4641C	C	C	C	C	N/A	N/A

(2) These programs are listed in Appendix B of the Red Book on Page 213 but there is no separate page of description for them in the Red Book. Consequently, there is no specific information on methods used to calculate the revenue loss or the reason for the exemption.