

MAINE STATE LEGISLATURE

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L.D. 609

Date: 3/20/2025

(Filing No. H- 31)

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
132ND LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT " ρ " to COMMITTEE AMENDMENT "A" to H.P. 377,
L.D. 609, "An Act Making Certain Appropriations and Allocations and Changing Certain
Provisions of Law Necessary to the Proper Operations of State Government"

Amend the amendment by inserting after Part TT the following:

'PART UU

Sec. UU-1. 36 MRSA c. 843 is enacted to read:

CHAPTER 843

INCOME TAX ELIMINATION

§5501. Elimination of income tax

For tax years beginning on or after January 1, 2027, a tax may not be collected under this Part.

Sec. UU-2. Department of Administrative and Financial Services review and report; references to income tax. The Department of Administrative and Financial Services shall review the provisions of the Maine Revised Statutes that refer to Maine income tax and submit a report, including suggested legislation, to the Second Regular Session of the 132nd Legislature identifying any changes necessary to implement this Part.'

Amend the amendment by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment eliminates the Maine income tax beginning January 1, 2027. It requires the Department of Administrative and Financial Services to review provisions of law that refer to income tax and submit a report, including suggested legislation, to the

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HOUSE AMENDMENT "P" to COMMITTEE AMENDMENT "A" to H.P. 377, L.D. 609

1 Second Regular Session of the 132nd Legislature identifying necessary changes to
2 implement the elimination.

3 SPONSORED BY: Laurel Libby
4 (Representative LIBBY, L.)

5 TOWN: Auburn

FISCAL NOTE REQUIRED
(See attached)

HOUSE AMENDMENT



132nd MAINE LEGISLATURE

LD 609

LR 1775(27)

An Act Making Certain Appropriations and Allocations and Changing Certain Provisions of Law Necessary to the Proper Operations of State Government

Fiscal Note for House Amendment 'P' to Committee Amendment "A"

Sponsor: Rep. Libby of Auburn

Fiscal Note Required: Yes

Fiscal Note

| | FY 2025-26 | FY 2026-27 | Projections FY 2027-28 | Projections FY 2028-29 |
|-----------------------------|------------|-------------------|---------------------------|---------------------------|
| Net Cost (Savings) | | | | |
| General Fund | \$0 | \$1,509,606,384 | \$3,154,760,000 | \$3,325,950,000 |
| Revenue | | | | |
| General Fund | \$0 | (\$1,509,606,384) | (\$3,154,760,000) | (\$3,325,950,000) |
| Other Special Revenue Funds | \$0 | (\$79,452,968) | (\$166,040,000) | (\$175,050,000) |

Fiscal Detail and Notes

This amendment includes a revenue decrease to the Bureau of Revenue Services within the Department of Administrative and Financial Services of \$1,509,606,384 in fiscal year 2026-27 by eliminating the Maine income tax beginning January 1, 2027.