

# MAINE STATE LEGISLATURE

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L.D. 1879

Date:

6/6/25

(Filing No. H-571)

MAJORITY

TAXATION

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

COMMITTEE AMENDMENT "A" to H.P. 1250, L.D. 1879, "An Act to Support Maine's Agricultural Economy by Increasing Revenue from the Corporate Income Tax and Providing Property Tax Exemptions"

Amend the bill by striking out the title and substituting the following:

**'An Act to Support Maine's Agricultural Economy by Increasing Revenue from the Corporate Income Tax'**

Amend the bill in section 1 in subsection 7 in paragraph A in the last line (page 1, line 10 in L.D.) by inserting after the following: "subsection," the following: "The additional tax must be apportioned pursuant to chapter 821 consistent with the requirements of subsections 3 and 4."

Amend the bill in section 1 in subsection 7 in paragraph C in the 2nd line (page 1, line 15 in L.D.) by inserting after the following: "amounts" the following: "with each fund or program fully funded before funds are directed to the next priority fund or program."

Amend the bill in section 1 in subsection 7 in paragraph C by striking out all of subparagraphs (1) and (2) (page 1, lines 16 to 23 in L.D.).

Amend the bill in section 1 in subsection 7 in paragraph C by renumbering the subparagraphs to read consecutively.

Amend the bill by striking out all of section 2 and inserting the following:

**'Sec. 2. Appropriations and allocations.** The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF  
Revenue Services, Bureau of 0002**

Initiative: Provides one-time funding for computer programming costs.

**GENERAL FUND**

All Other

2025-26

\$0

2026-27

\$155,480

COMMITTEE AMENDMENT

ROS

## COMMITTEE AMENDMENT "A" to H.P. 1250, L.D. 1879

1	GENERAL FUND TOTAL	\$0	\$155,480
2			
3	<b>ADMINISTRATIVE AND FINANCIAL</b>		
4	<b>SERVICES, DEPARTMENT OF</b>		
5	<b>DEPARTMENT TOTALS</b>	<b>2025-26</b>	<b>2026-27</b>
6			
7	<b>GENERAL FUND</b>	<b>\$0</b>	<b>\$155,480</b>
8			
9	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$155,480</b>
10	<b>AGRICULTURE, CONSERVATION AND FORESTRY, DEPARTMENT OF</b>		
11	<b>Maine Agriculture, Food and Forest Products Investment Fund Z384</b>		
12	Initiative: Allocates a portion of the revenue received as a result of increasing the top		
13	corporate income tax rate to 10% for tax years beginning on or after January 1, 2026 to the		
14	Maine Agriculture, Food and Forest Products Investment Fund under the Maine Revised		
15	Statutes, Title 7, section 320-B, subsection 1.		
16	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2025-26</b>	<b>2026-27</b>
17	All Other	\$0	\$5,000,000
18			
19	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$0</b>	<b>\$5,000,000</b>
20	<b>Milk Commission 0188</b>		
21	Initiative: Provides allocation of transferred revenue received as a result of increasing the		
22	top corporate income tax rate to 10% for tax years beginning on or after January 1, 2026.		
23	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2025-26</b>	<b>2026-27</b>
24	All Other	\$12,055,500	\$19,383,175
25			
26	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$12,055,500</b>	<b>\$19,383,175</b>
27			
28	<b>AGRICULTURE, CONSERVATION AND</b>		
29	<b>FORESTRY, DEPARTMENT OF</b>		
30	<b>DEPARTMENT TOTALS</b>	<b>2025-26</b>	<b>2026-27</b>
31			
32	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$12,055,500</b>	<b>\$24,383,175</b>
33			
34	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$12,055,500</b>	<b>\$24,383,175</b>
35	<b>ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF</b>		
36	<b>Business Recovery and Resilience Fund Z403</b>		
37	Initiative: Allocates a portion of the revenue received as a result of increasing the top		
38	corporate income tax rate to 10% for tax years beginning on or after January 1, 2026.		
39	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2025-26</b>	<b>2026-27</b>
40	All Other	\$0	\$2,000,000
41			
42	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$0</b>	<b>\$2,000,000</b>

**COMMITTEE AMENDMENT**

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**ECONOMIC AND COMMUNITY  
DEVELOPMENT, DEPARTMENT OF  
DEPARTMENT TOTALS**

**2025-26                      2026-27**

**OTHER SPECIAL REVENUE FUNDS                      \$0                      \$2,000,000**

**DEPARTMENT TOTAL - ALL FUNDS                      \$0                      \$2,000,000**

**FINANCE AUTHORITY OF MAINE**

**Dairy Improvement Fund Z143**

Initiative: Allocates a portion of the revenue received as a result of increasing the top corporate income tax rate to 10% for tax years beginning on or after January 1, 2026 to the Dairy Improvement Fund under the Maine Revised Statutes, Title 10, section 1023-P.

**OTHER SPECIAL REVENUE FUNDS                      2025-26                      2026-27**

**All Other                      \$0                      \$1,000,000**

**OTHER SPECIAL REVENUE FUNDS TOTAL                      \$0                      \$1,000,000**

**Finance Authority of Maine 0582**

Initiative: Allocates a portion of the revenue received as a result of increasing the top corporate income tax rate to 10% for tax years beginning on or after January 1, 2026 to the Agricultural Marketing Loan Fund under the Maine Revised Statutes, Title 10, section 1023-J.

**OTHER SPECIAL REVENUE FUNDS                      2025-26                      2026-27**

**All Other                      \$0                      \$1,000,000**

**OTHER SPECIAL REVENUE FUNDS TOTAL                      \$0                      \$1,000,000**

**FINANCE AUTHORITY OF MAINE**

**DEPARTMENT TOTALS                      2025-26                      2026-27**

**OTHER SPECIAL REVENUE FUNDS                      \$0                      \$2,000,000**

**DEPARTMENT TOTAL - ALL FUNDS                      \$0                      \$2,000,000**

**SECTION TOTALS                      2025-26                      2026-27**

**GENERAL FUND                      \$0                      \$155,480**

**OTHER SPECIAL REVENUE FUNDS                      \$12,055,500                      \$28,383,175**

**SECTION TOTAL - ALL FUNDS                      \$12,055,500                      \$28,538,655**

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COMMITTEE AMENDMENT "A" to H.P. 1250, L.D. 1879

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

### SUMMARY

This amendment provides for the apportionment of the tax proposed in the bill. The amendment restructures the cascade of funds in the bill to 4 funds and specifies that each priority must be fully funded before proceeding to the next priority. The amendment removes the exemption from property tax for agricultural buildings as proposed in the bill. The amendment also adds an appropriations and allocations section.

### FISCAL NOTE REQUIRED

(See attached)

**132nd MAINE LEGISLATURE****LD 1879****LR 2291(02)****An Act to Support Maine's Agricultural Economy by Increasing Revenue from the Corporate Income Tax and Providing Property Tax Exemptions****Fiscal Note for Bill as Amended by Committee Amendment "A" (H-571)****Committee: Taxation****Fiscal Note Required: Yes****Fiscal Note**

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
<b>Net Cost (Savings)</b>				
General Fund	\$0	(\$12,529,845)	(\$19,774,011)	(\$20,573,433)
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$155,480	\$0	\$0
Other Special Revenue Funds	\$12,055,500	\$28,383,175	\$28,989,489	\$28,988,067
<b>Revenue</b>				
General Fund	\$0	\$12,685,325	\$19,774,011	\$20,573,433
Other Special Revenue Funds	\$12,690,000	\$30,544,675	\$31,555,989	\$31,596,567

**Fiscal Detail and Notes**

This bill increases the top marginal corporate income tax rate to 10% on income over \$3,500,000 for tax years beginning on or after January 1, 2026. The bill directs that the additional revenue be distributed in the following amounts, in the order of priority shown below, and to the extent funds are available:

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Estimated Revenue	\$ 12,690,000	\$ 43,230,000	\$ 51,330,000	\$ 52,170,000
Local Government Fund	\$ 634,500	\$ 2,161,500	\$ 2,566,500	\$ 2,608,500
Dairy Tier Stabilization Program	\$ 12,055,500	\$ 19,383,175	\$ 19,989,489	\$ 19,988,067
Maine Agriculture, Food and Forest Products Investment Fund	\$ -	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Business Recovery and Resilience Fund	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Agricultural Marketing Loan Fund	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Dairy Improvement Fund	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Retained by General Fund	\$ -	\$ 12,685,325	\$ 19,774,011	\$ 20,573,433

This estimated distribution is based on the most recent Revenue Forecasting Committee report, dated May 1, 2025. The report is updated twice annually. The transfer amounts to the tier program and the remaining transfer to the General Fund, after all other required distributions are made, will adjust in future fiscal years to reflect the updated forecast. The bill includes corresponding allocations to authorize expenditure of the additional projected revenue.