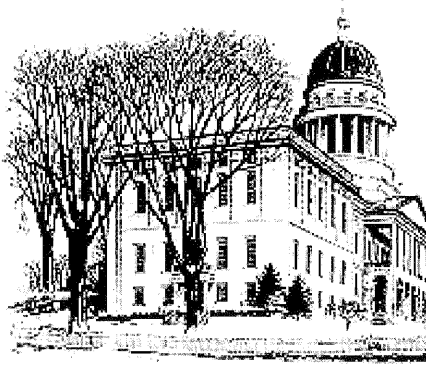


# MAINE STATE LEGISLATURE

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## STATE OF MAINE REVENUE FORECASTING COMMITTEE

### Members:

Jerome Gerard, Chair, Acting State Tax Assessor  
James Breece, University of Maine System  
Marc Cyr, Principal Analyst, Office of Fiscal and Program Review  
Michael LeVert, State Economist  
Dawna Lopatosky, Acting State Budget Officer  
Grant Pennoyer, Director, Office of Fiscal and Program Review

December 1, 2010

TO: Governor John Baldacci  
Governor-elect Paul LePage  
Members, 125<sup>th</sup> Legislature

FROM:  Jerome Gerard, Chair  
Revenue Forecasting Committee

RE: **Summary of December 2010 Revenue Forecast**

The Revenue Forecasting Committee (RFC) met on November 23, 2010 to review the current revenue forecast to comply with the statutory reporting date of December 1<sup>st</sup> and has revised its revenue projections through the fiscal year ending June 30, 2013 for the General Fund, Highway Fund, Fund for a Healthy Maine and the Medicaid Dedicated Revenue Taxes. The RFC also produced the first forecast of revenues for the period that extends through the subsequent biennium that ends June 30, 2015 (FY15). This letter with attachments provides a summary of the major findings and recommendations of the RFC. A more detailed report will be available later and posted to the RFC's web site as soon as it is completed.

In its November 1, 2010 report the Consensus Economic Forecasting Commission (CEFC) provided forecasts for the major economic variables that were used as inputs to Maine Revenue Services' tax models to help project revenue from the major taxes. Data related to non-tax revenue lines were provided by a number of different state agencies. Amidst continued economic uncertainty over the national economy, the revised CEFC forecast was mixed, recognizing improved but still negative wage and salary employment growth in calendar year 2010 while reducing previously estimated gains in 2011 and 2012. This is consistent with the view that the economy has picked up in 2010 a bit more than had been expected but will continue to improve at a slower, more prolonged pace than expected. Personal income was a more positive story. Growth in 2010 was revised upward strongly; previous growth in 2011 was left unchanged on a percentage basis, but that growth will be increasing from a higher base and an already strong 2012 performance was revised upward further. The explanation for improvement in personal income at a faster pace than wage and salary employment is that as the recovery moves forward employers will increase hours, eliminate furlough days and restore part-time workers to full-time status for existing employees before they add to the employment numbers by hiring new employees.

The CEFC report did emphasize that this forecast may be “subject to a larger than usual level of risk that may result in downward revisions to personal income and wage and salary employment in the April 2011 forecast”. In particular, the CEFC noted that the forecast assumes that the Federal Reserve Bank will expand monetary policy through quantitative easing and that the “Bush tax cuts” will be extended for all income levels through 2011. If these assumptions do not hold true, economic activity could falter, which could lower the revenue forecast. The European debt crisis and other global issues could work to choke off a sustained recovery as well.

A copy of the November 2010 report of the CEFC is available on the web at:

[http://www.maine.gov/legis/ofpr/revenue\\_forecasting\\_committee/consensus\\_economic\\_forecast/nov2010.pdf](http://www.maine.gov/legis/ofpr/revenue_forecasting_committee/consensus_economic_forecast/nov2010.pdf)

The following tables and narratives highlight the changes to each of the major funds and revenue sources included in this December 2010 forecast of the RFC. More detail on each of the funds and revenue sources is provided in the attachments to this letter.

### General Fund Summary

	FY10 Actual	FY11	FY12	FY13	FY14	FY15
Current Forecast	\$2,755,682,500	\$2,773,914,960	\$2,782,786,538	\$2,900,922,633		
Annual % Growth	-2.0%	0.7%	0.3%	4.2%		
Net Increase (Decrease)		\$111,560,095	\$170,487,312	\$195,091,215	\$3,281,969,701	\$3,418,595,261
Revised Forecast	\$2,755,682,500	\$2,885,475,055	\$2,953,273,850	\$3,096,013,848	\$3,281,969,701	\$3,418,595,261
Annual % Growth	-2.0%	4.7%	2.3%	4.8%	6.0%	4.2%

General Fund revenue estimates (also refer to Attachment A) are being revised upward by \$111.6 million in FY11 and \$365.6 million in the 2012-2013 biennium. These increases are the result of the revised economic forecast and the fact that fiscal year-to-date actual revenues through October of 2010 have a positive variance of \$56.7 million.

Individual Income Tax was the biggest contributor to the positive change with a \$43.3 million increase in FY11, a \$127.4 million increase in FY 2012 and \$143.0 million in FY 2013. This category is directly affected by changes in personal income and was up \$20.4 million through October of 2010. Long-term projections for the new forecast period are for gains of 7.6% in FY14 and 5.5% in FY15.

The second largest change was in the Corporate Income Tax line, which was raised \$41.7 million in FY11. This category was ahead of previous estimates by \$26.6 million through October. Business profits for the current year are much stronger than previously projected as businesses have become leaner and more efficient by trimming costs. Revenue gains are flowing more quickly to the bottom line and are improving net profitability. The upward revision for the 2012-2013 biennium is \$83.8 million.

The Estate Tax was another major gainer with an increase of \$11.2 million in FY11. Much of this is attributable to a single estate payment of approximately \$6 million. Such payments are unusual and are typically excluded from the on-going base for projections of future years, consequently, the upward revision for the 2012-2013 biennium only totals \$12.7 million.

Cigarette and Tobacco Tax revenues are raised approximately \$8.5 million each year in FY11, FY12 and FY13 based on a higher amount collected in FY10. Maine appears to have recaptured some sales previously leaking across the border to New Hampshire after its recent cigarette tax increase significantly narrowed the price differential between Maine and New Hampshire. Despite this jump up

in the starting base, the long-term trend is still expected to be a slow decline in sales each year due to declining consumption of tobacco products.

Insurance Companies Tax revenue is revised upward \$4.8 million in each year of the forecast period to build a portion of the higher amount received in FY10 into the baseline going forward.

Although the computer tax model projected a modest decline in Sales and Use Tax and Service Provider Tax revenue, primarily due to increased rates of savings or debt payments, this was inconsistent with recent experience through October and Maine Revenue Services did not recommend any changes these categories.

The net changes to the major tax lines that affect revenue sharing transfers remain positive throughout the forecast period and as a result increase estimates for the amount of revenue sharing to be distributed to municipalities throughout the forecast period. An additional \$3.9 million is projected to be distributed in FY11 and another \$17.1 million in the 2012-2013 biennium.

Other net General Fund changes increase revenue by \$5.0 million in FY11 but decrease it by \$6.0 million in the 2012-2013 biennium. The largest changes in each year were from Department of Health and Human Services revenue.

### Highway Fund Summary

	FY10 Actual	FY11	FY12	FY13	FY14	FY15
Current Forecast	\$311,190,374	\$307,066,369	\$312,095,494	\$317,915,100		
Annual % Growth	-4.0%	-1.3%	1.6%	1.9%		
Net Increase (Decrease)		\$662,438	\$2,930,662	\$2,454,744	\$326,885,858	\$333,029,695
Revised Forecast	\$311,190,374	\$307,728,807	\$315,026,156	\$320,369,844	\$326,885,858	\$333,029,695
Annual % Growth	-4.0%	-1.1%	2.4%	1.7%	2.0%	1.9%

**Highway Fund** revenue estimates (also refer to Attachment B) are revised upward by \$0.7 million in FY11. The forecast for the 2012-2013 biennium is also increased by \$5.4 million. Major gains in Fuel Taxes category were due to higher than projected gasoline tax collections in FY10 resulting in a higher base to which higher growth rates were applied as a result of the economic forecast. The inflation forecast only had a modest downward effect by slightly lowering projected tax rates for FY13. Projections for the Gasoline Tax are increased by \$5.1 million in FY11 and by \$14.2 million for the 2012-2013 biennium. Most other Highway Fund revenue categories including Special Fuel and Road Use Taxes (primarily tax on diesel fuel) are being revised downward and partially offset the increases in Gasoline Tax projections.

### Fund for a Healthy Maine Summary

	FY10 Actual	FY11	FY12	FY13	FY14	FY15
Current Forecast	\$57,560,142	\$56,423,536	\$62,820,377	\$63,346,364		
Annual % Growth	-15.9%	-2.0%	11.3%	0.8%		
Net Increase (Decrease)		(\$3,629,443)	(\$9,361,249)	(\$8,754,193)	\$60,472,838	\$60,146,432
Revised Forecast	\$57,560,142	\$52,794,093	\$53,459,128	\$54,592,171	\$60,472,838	\$60,146,432
Annual % Growth	-15.9%	-8.3%	1.3%	2.1%	10.8%	-0.5%

**Fund for a Healthy Maine (FHM)** revenue estimates (also refer to Attachment C) are reduced in FY11 by \$3.6 million and by \$18.1 million in the 2012-2013 biennium. The reductions reflect the latest

National Association of Attorneys General estimates for Tobacco Settlement Payments (TSPs) and assume full withholding from the state of certain disputed payments by participating manufacturers. Not reflected in this forecast is the risk that an arbitration panel meeting in April of 2011 could rule on a related legal issue in favor of Phillip Morris that could cost Maine \$13 million immediately in FY11. FHM's share of Racino Revenue is being reduced in FY13, which is consistent with the revisions that lowered the General Fund's share of this revenue source downward.

### **Medicaid/MaineCare Dedicated Revenue Taxes Summary**

	<b>FY10 Actual</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Current Forecast	\$140,012,817	\$148,907,342	\$148,907,342	\$148,907,342		
Annual % Growth	1.4%	6.4%	0.0%	0.0%		
Net Increase (Decrease)		\$2,350,896	\$2,350,896	\$2,350,896	\$151,258,238	\$151,258,238
Revised Forecast	\$140,012,817	\$151,258,238	\$151,258,238	\$151,258,238	\$151,258,238	\$151,258,238
Annual % Growth	1.4%	8.0%	0.0%	0.0%	0.0%	0.0%

**Medicaid/MaineCare Dedicated Revenue Taxes** revenue estimates (also refer to Attachment D) are revised upward by \$2.4 million in FY11 and by the same amount in each year of the 2012-2013 biennium based on level funding from the actual amount collected in FY10.

#### Attachments

cc: Members, Revenue Forecasting Committee  
 Members, Consensus Economic Forecasting Commission  
 Jane Lincoln, Chief of Staff, Governor's Office  
 Ellen Schreiner, Commissioner, DAFS  
 Clerk of the House  
 Secretary of the Senate  
 David Boulter, Executive Director, Legislative Council  
 Legislative Staff Office Directors

## GENERAL FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010

Source	FY04 Actual	% Chg.	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.
Sales and Use Tax	917,243,245	7.0%	896,576,322	-2.3%	946,174,276	5.5%	971,455,721	2.7%	983,057,278	1.2%	921,823,720	-6.2%
Service Provider Tax	0	N/A	44,645,517	N/A	47,028,430	5.3%	49,400,532	5.0%	52,100,664	5.5%	52,812,595	1.4%
Individual Income Tax	1,156,715,909	7.9%	1,296,255,557	12.1%	1,364,368,543	5.3%	1,464,928,346	7.4%	1,558,032,961	6.4%	1,365,437,729	-12.4%
Corporate Income Tax	111,616,051	22.4%	135,862,913	21.7%	188,015,558	38.4%	183,851,533	-2.2%	184,514,568	0.4%	143,085,966	-22.5%
Cigarette and Tobacco Tax	96,604,646	-1.8%	96,350,704	-0.3%	156,951,370	62.9%	158,953,466	1.3%	150,499,432	-5.3%	144,424,712	-4.0%
Insurance Companies Tax	72,206,153	1.6%	75,669,053	4.8%	76,065,864	0.5%	74,452,542	-2.1%	72,292,532	-2.9%	79,770,431	10.3%
Estate Tax	32,075,501	5.1%	32,255,727	0.6%	75,330,514	133.5%	54,820,038	-27.2%	39,890,577	-27.2%	31,819,188	-20.2%
Other Taxes and Fees *	126,305,151		137,247,024	8.7%	142,539,230	3.9%	143,921,436	1.0%	140,215,511	-2.6%	148,909,575	6.2%
Fines, Forfeits and Penalties	38,219,275	41.6%	35,506,972	-7.1%	37,781,055	6.4%	41,415,132	9.6%	44,465,534	7.4%	44,024,462	-1.0%
Income from Investments	2,310,207	-1.5%	5,854,625	153.4%	8,271,869	41.3%	1,215,836	-85.3%	1,074,143	-11.7%	1,100,129	2.4%
Transfer from Lottery Commission	41,272,645	4.6%	49,328,102	19.5%	50,879,647	3.1%	50,624,741	-0.5%	49,491,086	-2.2%	49,839,434	0.7%
Transfers to Tax Relief Programs *	0		(26,030,227)	N/A	(109,861,880)	-322.1%	(110,993,852)	-1.0%	(114,564,757)	-3.2%	(122,931,820)	-7.3%
Transfer to Municipal Rev. Sharing	(111,464,335)	-8.2%	(119,712,814)	-7.4%	(124,222,180)	-3.8%	(130,490,756)	-5.0%	(135,820,175)	-4.1%	(102,160,745)	24.8%
Other Revenue *	200,435,111		131,035,578	-34.6%	72,503,389	-44.7%	66,040,674	-8.9%	62,569,638	-5.3%	53,412,918	-14.6%
<b>Total - General Fund Revenue</b>	<b>2,683,539,557</b>	<b>12.1%</b>	<b>2,790,845,053</b>	<b>4.0%</b>	<b>2,931,825,687</b>	<b>5.1%</b>	<b>3,019,595,389</b>	<b>3.0%</b>	<b>3,087,818,992</b>	<b>2.3%</b>	<b>2,811,368,295</b>	<b>-9.0%</b>

\* Additional detail provided on pages 4, 5 and 6

## GENERAL FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010

Source	FY10 Actual	% Chg.	FY10 Budget	FY10 Variance	% Var.	FY11 Budget	% Chg.	Recom. Chg.	FY11 Revised	% Chg.
Sales and Use Tax	897,938,873	-2.6%	883,839,994	14,098,879	1.6%	904,850,262	0.8%	0	904,850,262	0.8%
Service Provider Tax	56,086,391	6.2%	55,590,852	495,539	0.9%	57,814,486	3.1%	0	57,814,486	3.1%
Individual Income Tax	1,298,036,055	-4.9%	1,299,630,000	(1,593,945)	-0.1%	1,326,790,000	2.2%	43,330,000	1,370,120,000	5.6%
Corporate Income Tax	175,292,433	22.5%	147,718,716	27,573,717	18.7%	158,786,702	-9.4%	41,703,410	200,490,112	14.4%
Cigarette and Tobacco Tax	149,066,678	3.2%	140,139,902	8,926,776	6.4%	137,744,579	-7.6%	8,464,976	146,209,555	-1.9%
Insurance Companies Tax	80,019,145	0.3%	71,985,000	8,034,145	11.2%	71,990,000	-10.0%	4,775,000	76,765,000	-4.1%
Estate Tax	31,209,840	-1.9%	29,593,253	1,616,587	5.5%	31,739,004	1.7%	11,239,075	42,978,079	37.7%
Other Taxes and Fees *	149,592,993	0.5%	148,808,830	784,163	0.5%	148,117,322	-1.0%	886,560	149,003,882	-0.4%
Fines, Forfeits and Penalties	32,787,060	-25.5%	32,853,721	(66,661)	-0.2%	30,816,261	-6.0%	316,900	31,133,161	-5.0%
Income from Investments	265,091	-75.9%	103,246	161,845	156.8%	275,045	3.8%	(247,713)	27,332	-89.7%
Transfer from Lottery Commission	52,201,531	4.7%	49,843,299	2,358,232	4.7%	52,034,250	-0.3%	0	52,034,250	-0.3%
Transfers to Tax Relief Programs *	(113,604,930)	7.6%	(112,559,862)	(1,045,068)	0.9%	(112,087,945)	1.3%	0	(112,087,945)	1.3%
Transfer to Municipal Rev. Sharing	(97,425,079)	4.6%	(95,899,642)	(1,525,437)	1.6%	(89,213,027)	8.4%	(3,875,069)	(93,088,096)	4.5%
Other Revenue *	44,216,420	-17.2%	41,358,080	2,858,340	6.9%	54,258,021	22.7%	4,966,956	59,224,977	33.9%
<b>Total - General Fund Revenue</b>	<b>2,755,682,500</b>	<b>-2.0%</b>	<b>2,693,005,389</b>	<b>62,677,111</b>	<b>2.3%</b>	<b>2,773,914,960</b>	<b>0.7%</b>	<b>111,560,095</b>	<b>2,885,475,055</b>	<b>4.7%</b>

\* Additional detail provided on pages 4, 5 and 6

## GENERAL FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010

Source	FY12 Budget	% Chg.	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.	FY14 Projection	% Chg.	FY15 Projection	% Chg.
Sales and Use Tax	945,475,809	4.5%	0	945,475,809	4.5%	992,958,416	5.0%	0	992,958,416	5.0%	1,036,894,736	4.4%	1,070,820,228	3.3%
Service Provider Tax	59,555,680	3.0%	0	59,555,680	3.0%	61,840,807	3.8%	0	61,840,807	3.8%	64,809,166	4.8%	66,947,869	3.3%
Individual Income Tax	1,347,525,730	1.6%	127,374,270	1,474,900,000	7.6%	1,402,748,648	4.1%	143,001,352	1,545,750,000	4.8%	1,662,574,000	7.6%	1,754,681,000	5.5%
Corporate Income Tax	171,138,480	7.8%	38,664,495	209,802,975	4.6%	184,967,914	8.1%	45,104,158	230,072,072	9.7%	252,110,933	9.6%	267,054,252	5.9%
Cigarette and Tobacco Tax	134,901,044	-2.1%	8,722,306	143,623,350	-1.8%	132,580,387	-1.7%	8,514,898	141,095,285	-1.8%	138,621,367	-1.8%	136,200,611	-1.7%
Insurance Companies Tax	71,990,000	0.0%	4,025,000	76,015,000	-1.0%	71,990,000	0.0%	4,025,000	76,015,000	0.0%	76,015,000	0.0%	76,015,000	0.0%
Estate Tax	36,478,327	14.9%	4,583,185	41,061,512	-4.5%	41,232,832	13.0%	8,137,845	49,370,677	20.2%	54,924,035	11.2%	56,950,563	3.7%
Other Taxes and Fees *	141,899,911	-4.2%	(973,709)	140,926,202	-5.4%	142,266,409	0.3%	(1,932,297)	140,334,112	-0.4%	138,401,848	-1.4%	140,272,961	1.4%
Fines, Forfeits and Penalties	30,831,649	0.0%	(68,100)	30,763,549	-1.2%	30,850,149	0.1%	(68,100)	30,782,049	0.1%	30,777,049	0.0%	30,772,049	0.0%
Income from Investments	275,045	0.0%	(270,903)	4,142	-84.8%	275,045	0.0%	(217,450)	57,595	1290.5%	205,585	256.9%	205,585	0.0%
Transfer from Lottery Commission	52,034,250	0.0%	0	52,034,250	0.0%	52,034,250	0.0%	0	52,034,250	0.0%	52,034,250	0.0%	52,034,250	0.0%
Transfers to Tax Relief Programs *	(126,984,977)	-13.3%	0	(126,984,977)	-13.3%	(124,182,298)	2.2%	0	(124,182,298)	2.2%	(115,257,579)	7.2%	(115,281,994)	0.0%
Transfer to Municipal Rev. Sharing	(128,498,164)	-44.0%	(7,842,494)	(136,340,658)	-46.5%	(134,716,016)	-4.8%	(9,246,935)	(143,962,951)	-5.6%	(153,458,062)	-6.6%	(160,928,111)	-4.9%
Other Revenue *	46,163,754	-14.9%	(3,726,738)	42,437,016	-28.3%	46,076,090	-0.2%	(2,227,256)	43,848,834	3.3%	43,317,373	-1.2%	42,850,998	-1.1%
<b>Total - General Fund Revenue</b>	<b>2,782,786,538</b>	<b>0.3%</b>	<b>170,487,312</b>	<b>2,953,273,850</b>	<b>2.3%</b>	<b>2,900,922,633</b>	<b>4.2%</b>	<b>195,091,215</b>	<b>3,096,013,848</b>	<b>4.8%</b>	<b>3,281,969,701</b>	<b>6.0%</b>	<b>3,418,595,261</b>	<b>4.2%</b>
								<b>365,578,527</b>						

\* Additional detail provided on pages 4, 5 and 6



# GENERAL FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010

Source	FY04 Actual	% Chg.	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.
<b>Detail of Other Taxes and Fees:</b>												
- Property Tax - Unorganized Territory	10,709,308	7.8%	10,622,666	-0.8%	11,559,305	8.8%	11,376,293	-1.6%	12,217,081	7.4%	12,633,755	3.4%
- Real Estate Transfer Tax	22,196,221	106.1%	24,113,439	8.6%	24,595,580	2.0%	22,206,638	-9.7%	17,465,240	-21.4%	17,184,746	-1.6%
- Liquor Taxes and Fees	17,485,024	2.0%	17,432,377	-0.3%	18,814,733	7.9%	20,283,406	7.8%	20,673,308	1.9%	20,844,377	0.8%
- Corporation Fees & Licenses	4,525,994	8.1%	6,884,833	52.1%	7,710,325	12.0%	7,935,294	2.9%	7,969,156	0.4%	7,931,072	-0.5%
- Telecommunications Personal Prop. Tax	27,991,188	-4.4%	25,403,214	-9.2%	20,627,030	-18.8%	16,317,029	-20.9%	16,858,472	3.3%	19,536,483	15.9%
- Finance Industry Fees	9,572,280	3.0%	18,641,800	94.7%	20,471,110	9.8%	22,004,030	7.5%	23,638,820	7.4%	23,901,210	1.1%
- Milk Handling Fee	0	N/A	0	N/A	1,867,527	N/A	2,561,972	37.2%	631,997	-75.3%	6,605,226	945.1%
- Racino Revenue	1,036,539	-4.6%	1,362,611	31.5%	5,262,230	286.2%	8,607,317	63.6%	8,384,464	-2.6%	8,730,346	4.1%
- Boat, ATV and Snowmobile Fees	3,974,546	60.0%	4,148,936	4.4%	3,477,043	-16.2%	4,162,079	19.7%	4,295,524	3.2%	4,262,523	-0.8%
- Hunting and Fishing License Fees	16,898,278	21.1%	16,691,165	-1.2%	16,840,079	0.9%	16,401,841	-2.6%	15,683,316	-4.4%	15,378,849	-1.9%
- Other Miscellaneous Taxes and Fees	11,915,773	-16.5%	11,945,985	0.3%	11,314,268	-5.3%	12,065,538	6.6%	12,398,134	2.8%	11,900,988	-4.0%
Subtotal - Other Taxes and Fees	126,305,151	12.4%	137,247,024	8.7%	142,539,230	3.9%	143,921,436	1.0%	140,215,511	-2.6%	148,909,575	6.2%
<b>Detail of Other Revenue:</b>												
- Liquor Sales and Operations	102,182,743	291.9%	49,845,027	-51.2%	2,560,044	-94.9%	4,440,935	73.5%	5,561,666	25.2%	6,220,864	11.9%
- Targeted Case Management (HHS)	34,762,095	4.6%	34,518,055	-0.7%	25,687,188	-25.6%	12,834,382	-50.0%	12,157,093	-5.3%	13,946,371	14.7%
- State Cost Allocation Program	10,438,262	-5.0%	12,891,574	23.5%	13,281,561	3.0%	15,428,622	16.2%	16,289,386	5.6%	16,104,670	-1.1%
- Unclaimed Property Transfer	16,763,948	104.9%	10,000,000	-40.3%	14,880,517	48.8%	10,499,528	-29.4%	11,114,735	5.9%	13,212,409	18.9%
- Tourism Transfer	(7,213,282)	N/A	(7,554,190)	-4.7%	(7,762,689)	-2.8%	(8,221,338)	-5.9%	(8,708,437)	-5.9%	(9,068,407)	-4.1%
- Transfer to Maine Milk Pool	0	N/A	0	N/A	(2,616,160)	N/A	(10,158,802)	-288.3%	(1,078,425)	89.4%	(11,810,960)	-995.2%
- Transfer to STAR Transportation Fund	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A
- Other Miscellaneous Revenue	43,501,344	146.2%	31,335,111	-28.0%	26,472,928	-15.5%	41,217,346	55.7%	27,233,620	-33.9%	24,807,971	-8.9%
Subtotal - Other Revenue	200,435,111	108.5%	131,035,578	-34.6%	72,503,389	-44.7%	66,040,674	-8.9%	62,569,638	-5.3%	53,412,918	-14.6%
<b>Detail of Transfers to Tax Relief Programs:</b>												
- Maine Resident Property Tax Program			(26,030,227)	N/A	(42,796,070)	-64.4%	(44,440,759)	-3.8%	(46,689,380)	-5.1%	(48,751,672)	-4.4%
- BETR - Business Equipment Tax Reimb.			0	N/A	(67,065,810)	N/A	(66,553,092)	0.8%	(67,875,376)	-2.0%	(66,009,487)	2.7%
- BETE - Municipal Bus. Equip. Tax Reimb.			0	N/A	0	N/A	0	N/A	0	N/A	(8,170,661)	N/A
Subtotal - Tax Relief Transfers			(26,030,227)	N/A	(109,861,880)	-322.1%	(110,993,852)	-1.0%	(114,564,757)	-3.2%	(122,931,820)	-7.3%
IF&W Total Revenue **	21,902,902	24.5%	21,817,659	-0.4%	21,530,955	-1.3%	21,663,828	0.6%	20,965,692	-3.2%	20,579,500	-1.8%

\*\* IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.

# GENERAL FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010

Source	FY10 Actual	% Chg.	FY10 Budget	FY10 Variance	% Var.	FY11 Budget	% Chg.	Recom. Chg.	FY11 Revised	% Chg.
<b>Detail of Other Taxes and Fees:</b>										
- Property Tax - Unorganized Territory	13,217,886	4.6%	14,605,928	(1,388,042)	-9.5%	13,245,281	0.2%	0	13,245,281	0.2%
- Real Estate Transfer Tax	12,181,181	-29.1%	13,148,078	(966,897)	-7.4%	14,922,365	22.5%	(1,624,313)	13,298,052	9.2%
- Liquor Taxes and Fees	20,361,554	-2.3%	20,466,911	(105,357)	-0.5%	20,413,193	0.3%	0	20,413,193	0.3%
- Corporation Fees & Licenses	8,168,981	3.0%	7,505,099	663,882	8.8%	7,505,099	-8.1%	192,000	7,697,099	-5.8%
- Telecommunications Personal Prop. Tax	17,523,926	-10.3%	16,996,988	526,938	3.1%	16,775,988	-4.3%	0	16,775,988	-4.3%
- Finance Industry Fees	23,831,582	-0.3%	22,475,930	1,355,652	6.0%	22,365,980	-6.1%	500,000	22,865,980	-4.1%
- Milk Handling Fee	10,105,521	53.0%	10,344,405	(238,884)	-2.3%	3,848,975	-61.9%	2,100,997	5,949,972	-41.1%
- Racino Revenue	10,421,318	19.4%	10,419,379	1,939	0.0%	10,855,590	4.2%	66,383	10,921,973	4.8%
- Boat, ATV and Snowmobile Fees	4,730,068	11.0%	4,098,040	632,028	15.4%	4,500,295	-4.9%	0	4,500,295	-4.9%
- Hunting and Fishing License Fees	16,277,082	5.8%	17,042,965	(765,883)	-4.5%	17,420,998	7.0%	0	17,420,998	7.0%
- Other Miscellaneous Taxes and Fees	12,773,892	7.3%	11,705,107	1,068,785	9.1%	16,263,558	27.3%	(348,507)	15,915,051	24.6%
Subtotal - Other Taxes and Fees	149,592,993	0.5%	148,808,830	784,163	0.5%	148,117,322	-1.0%	886,560	149,003,882	-0.4%
<b>Detail of Other Revenue:</b>										
- Liquor Sales and Operations	6,784,941	9.1%	6,784,100	841	0.0%	7,391,759	8.9%	0	7,391,759	8.9%
- Targeted Case Management (HHS)	19,490,000	39.7%	20,495,347	(1,005,347)	-4.9%	18,097,695	-7.1%	5,062,034	23,159,729	18.8%
- State Cost Allocation Program	16,008,673	-0.6%	15,627,014	381,659	2.4%	16,581,224	3.6%	117,835	16,699,059	4.3%
- Unclaimed Property Transfer	5,855,999	-55.7%	2,333,420	3,522,579	151.0%	2,333,420	-60.2%	0	2,333,420	-60.2%
- Tourism Transfer	(9,022,023)	0.5%	(9,007,298)	(14,725)	0.2%	(8,972,750)	0.5%	(76,127)	(9,048,877)	-0.3%
- Transfer to Maine Milk Pool	(13,349,600)	-13.0%	(13,349,600)	0	0.0%	(4,011,691)	69.9%	0	(4,011,691)	69.9%
- Transfer to STAR Transportation Fund	(3,134,861)	N/A	(3,134,861)	0	0.0%	(2,946,769)	6.0%	(153,583)	(3,100,352)	1.1%
- Other Miscellaneous Revenue	21,583,291	-13.0%	21,609,958	(26,667)	-0.1%	25,785,133	19.5%	16,797	25,801,930	19.5%
Subtotal - Other Revenue	44,216,420	-17.2%	41,358,080	2,858,340	6.9%	54,258,021	22.7%	4,966,956	59,224,977	33.9%
<b>Detail of Transfers to Tax Relief Programs:</b>										
- Maine Resident Property Tax Program	(40,851,593)	16.2%	(40,500,000)	(351,593)	0.9%	(43,500,000)	-6.5%	0	(43,500,000)	-6.5%
- BETR - Business Equipment Tax Reimb.	(58,198,436)	11.8%	(57,588,138)	(610,298)	1.1%	(51,043,140)	12.3%	0	(51,043,140)	12.3%
- BETE - Municipal Bus. Equip. Tax Reimb.	(14,554,901)	-78.1%	(14,471,724)	(83,177)	0.6%	(17,544,805)	-20.5%	0	(17,544,805)	-20.5%
Subtotal - Tax Relief Transfers	(113,604,930)	7.6%	(112,559,862)	(1,045,068)	0.9%	(112,087,945)	1.3%	0	(112,087,945)	1.3%
IF&W Total Revenue **	22,039,520	7.1%	22,189,917	(150,397)	-0.7%	23,061,115	4.6%	6,919	23,068,034	4.7%

\*\* IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.

# GENERAL FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010

Source	FY12 Budget	% Chg.	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.	FY14 Projection	% Chg.	FY15 Projection	% Chg.
<b>Detail of Other Taxes and Fees:</b>														
- Property Tax - Unorganized Territory	13,700,357	3.4%	0	13,700,357	3.4%	14,114,107	3.0%	0	14,114,107	3.0%	14,537,530	3.0%	14,973,656	3.0%
- Real Estate Transfer Tax	13,723,377	-8.0%	(2,638,027)	11,085,350	-16.6%	15,245,148	11.1%	(2,775,469)	12,469,679	12.5%	9,787,503	-21.5%	10,886,403	11.2%
- Liquor Taxes and Fees	20,378,357	-0.2%	0	20,378,357	-0.2%	20,412,066	0.2%	0	20,412,066	0.2%	20,445,452	0.2%	20,479,372	0.2%
- Corporation Fees & Licenses	7,505,099	0.0%	192,000	7,697,099	0.0%	7,505,099	0.0%	192,000	7,697,099	0.0%	7,697,099	0.0%	7,697,099	0.0%
- Telecommunications Personal Prop. Tax	16,014,397	-4.5%	(1,525,181)	14,489,216	-13.6%	15,251,807	-4.8%	(1,525,181)	13,726,626	-5.3%	13,726,626	0.0%	13,726,626	0.0%
- Finance Industry Fees	22,365,980	0.0%	500,000	22,865,980	0.0%	22,365,980	0.0%	500,000	22,865,980	0.0%	22,865,980	0.0%	22,865,980	0.0%
- Milk Handling Fee	3,379,588	-12.2%	2,910,200	6,289,788	5.7%	3,379,588	0.0%	2,253,058	5,632,646	-10.4%	5,632,646	0.0%	5,632,646	0.0%
- Racino Revenue	11,252,039	3.7%	(406,401)	10,845,638	-0.7%	10,398,497	-7.6%	(505,536)	9,892,961	-8.8%	10,177,030	2.9%	10,469,622	2.9%
- Boat, ATV and Snowmobile Fees	4,500,295	0.0%	0	4,500,295	0.0%	4,500,295	0.0%	0	4,500,295	0.0%	4,500,295	0.0%	4,500,295	0.0%
- Hunting and Fishing License Fees	17,420,998	0.0%	0	17,420,998	0.0%	17,420,998	0.0%	0	17,420,998	0.0%	17,420,998	0.0%	17,420,998	0.0%
- Other Miscellaneous Taxes and Fees	11,659,424	-28.3%	(6,300)	11,653,124	-26.8%	11,672,824	0.1%	(71,169)	11,601,655	-0.4%	11,610,689	0.1%	11,620,264	0.1%
Subtotal - Other Taxes and Fees	141,899,911		(973,709)	140,926,202	-5.4%	142,266,409	0.3%	(1,932,297)	140,334,112	-0.4%	138,401,848	-1.4%	140,272,961	1.4%
<b>Detail of Other Revenue:</b>														
- Liquor Sales and Operations	7,691,759	4.1%	0	7,691,759	4.1%	7,891,759	2.6%	0	7,891,759	2.6%	7,891,759	0.0%	7,891,759	0.0%
- Targeted Case Management (HHS)	16,851,418	-6.9%	(2,784,367)	14,067,051	-39.3%	16,851,418	0.0%	(2,784,367)	14,067,051	0.0%	14,067,051	0.0%	14,067,051	0.0%
- State Cost Allocation Program	16,533,703	-0.3%	(65,769)	16,467,934	-1.4%	16,533,703	0.0%	(96,450)	16,437,253	-0.2%	16,437,253	0.0%	16,437,253	0.0%
- Unclaimed Property Transfer	2,333,420	0.0%	0	2,333,420	0.0%	2,333,420	0.0%	0	2,333,420	0.0%	2,333,420	0.0%	2,333,420	0.0%
- Tourism Transfer	(9,090,075)	-1.3%	(215,175)	(9,305,250)	-2.8%	(9,392,175)	-3.3%	(269,325)	(9,661,500)	-3.8%	(10,127,000)	-4.8%	(10,630,975)	-5.0%
- Transfer to Maine Milk Pool	(9,422,556)	-134.9%	(413,270)	(9,835,826)	-145.2%	(9,422,556)	0.0%	1,176,604	(8,245,952)	16.2%	(8,245,952)	0.0%	(8,245,952)	0.0%
- Transfer to STAR Transportation Fund	(2,970,343)	-0.8%	(144,657)	(3,115,000)	-0.5%	(3,000,047)	-1.0%	(129,953)	(3,130,000)	-0.5%	(3,160,000)	-1.0%	(3,190,000)	-0.9%
- Other Miscellaneous Revenue	24,236,428	-6.0%	(103,500)	24,132,928	-6.5%	24,280,568	0.2%	(123,765)	24,156,803	0.1%	24,120,842	-0.1%	24,188,442	0.3%
Subtotal - Other Revenue	46,163,754	-14.9%	(3,726,738)	42,437,016	-28.3%	46,076,090	-0.2%	(2,227,256)	43,848,834	3.3%	43,317,373	-1.2%	42,850,998	-1.1%
<b>Detail of Transfers to Tax Relief Programs:</b>														
- Maine Resident Property Tax Program	(56,000,000)	-28.7%	0	(56,000,000)	-28.7%	(57,700,000)	-3.0%	0	(57,700,000)	-3.0%	(53,547,597)	7.2%	(55,203,454)	-3.1%
- BETR - Business Equipment Tax Reimb.	(51,552,995)	-1.0%	0	(51,552,995)	-1.0%	(46,282,583)	10.2%	0	(46,282,583)	10.2%	(42,100,000)	9.0%	(38,500,000)	8.6%
- BETE - Municipal Bus. Equip. Tax Reimb.	(19,431,982)	-10.8%	0	(19,431,982)	-10.8%	(20,199,715)	-4.0%	0	(20,199,715)	-4.0%	(19,609,982)	2.9%	(21,578,540)	-10.0%
Subtotal - Tax Relief Transfers	(126,984,977)	-13.3%	0	(126,984,977)	-13.3%	(124,182,298)	2.2%	0	(124,182,298)	2.2%	(115,257,579)	7.2%	(115,281,994)	0.0%
IF&W Total Revenue **	23,063,573	0.0%	9,701	23,073,274	0.0%	23,070,446	0.0%	9,526	23,079,972	0.0%	23,089,006	0.0%	23,098,581	0.0%

\*\* IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.

# HIGHWAY FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010

Source	FY03Actual	FY04 Actual	% Chg.	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.
Fuel Taxes													
- Gasoline Tax	154,596,316	175,970,766	13.8%	178,845,268	1.6%	181,329,183	1.4%	185,677,576	2.4%	183,710,458	-1.1%	178,960,918	-2.6%
- Special Fuel and Road Use Taxes	36,402,613	40,391,130	11.0%	45,400,514	12.4%	44,805,900	-1.3%	45,805,856	2.2%	46,139,086	0.7%	41,811,377	-9.4%
- Transcap Transfers - Fuel Taxes	0	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A
- Other Fund Gasoline Tax Distributions	(3,097,921)	(3,761,053)	-21.4%	(3,761,053)	0.0%	(4,559,774)	-21.2%	(4,659,415)	-2.2%	(4,614,205)	1.0%	(4,556,751)	1.2%
Subtotal - Fuel Taxes	187,901,008	212,600,843	13.1%	220,484,728	3.7%	221,575,309	0.5%	226,824,018	2.4%	225,235,339	-0.7%	216,215,544	-4.0%
Motor Vehicle Registration and Fees													
- Motor Vehicle Registration Fees	61,299,452	64,508,751	5.2%	65,980,294	2.3%	65,905,489	-0.1%	65,216,811	-1.0%	64,512,423	-1.1%	62,630,817	-2.9%
- License Plate Fees	1,992,739	2,169,867	8.9%	2,215,622	2.1%	2,255,091	1.8%	2,355,987	4.5%	2,460,929	4.5%	3,232,451	31.4%
- Long-term Trailer Registration Fees	0	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	7,450,990	N/A
- Title Fees	9,962,698	10,308,628	3.5%	10,946,453	6.2%	10,327,181	-5.7%	9,697,812	-6.1%	9,363,014	-3.5%	9,780,026	4.5%
- Motor Vehicle Operator License Fees	8,663,680	5,283,077	-39.0%	5,185,412	-1.8%	8,883,379	71.3%	9,720,114	9.4%	9,450,155	-2.8%	8,489,006	-10.2%
- Transcap Transfers - Motor Vehicle Fees	0	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A
Subtotal - Motor Vehicle Reg. & Fees	81,918,569	82,270,323	0.4%	84,327,780	2.5%	87,371,140	3.6%	86,990,724	-0.4%	85,786,520	-1.4%	91,583,289	6.8%
Motor Vehicle Inspection Fees	3,041,881	3,117,447	2.5%	3,095,940	-0.7%	3,098,785	0.1%	3,101,739	0.1%	2,940,387	-5.2%	2,975,807	1.2%
Other Highway Fund Taxes and Fees	2,236,218	1,898,182	-15.1%	1,466,368	-22.7%	1,561,657	6.5%	1,532,730	-1.9%	1,552,173	1.3%	1,392,598	-10.3%
Fines, Forfeits and Penalties	2,531,692	1,918,703	-24.2%	1,518,580	-20.9%	1,809,813	19.2%	1,668,000	-7.8%	1,747,986	4.8%	1,785,197	2.1%
Income from Investments	1,338,794	720,046	-46.2%	1,440,739	100.1%	1,833,806	27.3%	1,105,987	-39.7%	1,152,491	4.2%	480,419	-58.3%
Other Highway Fund Revenues	9,277,923	9,502,442	2.4%	13,744,020	44.6%	9,295,646	-32.4%	9,597,886	3.3%	9,721,683	1.3%	9,809,296	0.9%
<b>Total - Highway Fund Revenue</b>	<b>288,246,085</b>	<b>312,027,986</b>	<b>8.3%</b>	<b>326,078,155</b>	<b>4.5%</b>	<b>326,546,157</b>	<b>0.1%</b>	<b>330,821,083</b>	<b>1.3%</b>	<b>328,136,579</b>	<b>-0.8%</b>	<b>324,242,149</b>	<b>-1.2%</b>

**HIGHWAY FUND REVENUE**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010**

Source	FY10 Actual	% Chg.	FY 10 Budget	FY 10 Variance	% Var.	FY11 Budget	% Chg.	Recom. Chg.	FY11 Revised	% Chg.
Fuel Taxes										
- Gasoline Tax	196,559,480	9.8%	194,820,002	1,739,478	0.9%	189,570,000	-3.6%	5,124,000	194,694,000	-0.9%
- Special Fuel and Road Use Taxes	45,227,703	8.2%	48,320,000	(3,092,297)	-6.4%	47,190,000	4.3%	(3,538,211)	43,651,789	-3.5%
- Transcap Transfers - Fuel Taxes	(17,631,888)	N/A	(17,862,610)	230,722	-1.3%	(17,393,957)	-1.3%	(109,324)	(17,503,281)	-0.7%
- Other Fund Gasoline Tax Distributions	(4,964,589)	-9.0%	(4,971,866)	7,277	-0.1%	(4,840,577)	-2.5%	(128,135)	(4,968,712)	0.1%
Subtotal - Fuel Taxes	219,190,706	1.4%	220,305,526	(1,114,820)	-0.5%	214,525,466	-2.1%	1,348,330	215,873,796	-1.5%
Motor Vehicle Registration and Fees										
- Motor Vehicle Registration Fees	64,601,757	3.1%	64,238,886	362,871	0.6%	68,063,880	5.4%	(3,345,842)	64,718,038	0.2%
- License Plate Fees	3,436,943	6.3%	3,275,350	161,593	4.9%	3,280,493	-4.6%	164,632	3,445,125	0.2%
- Long-term Trailer Registration Fees	7,884,523	5.8%	6,183,601	1,700,922	27.5%	6,183,601	-21.6%	1,700,922	7,884,523	0.0%
- Title Fees	10,846,661	10.9%	9,507,970	1,338,691	14.1%	9,665,070	-10.9%	1,205,986	10,871,056	0.2%
- Motor Vehicle Operator License Fees	5,820,958	-31.4%	5,589,208	231,750	4.1%	5,589,208	-4.0%	369,651	5,958,859	2.4%
- Transcap Transfers - Motor Vehicle Fees	(14,823,141)	N/A	(14,075,450)	(747,691)	5.3%	(14,388,499)	-2.9%	(442,032)	(14,830,531)	0.0%
Subtotal - Motor Vehicle Reg. & Fees	77,767,700	-15.1%	74,719,565	3,048,135	4.1%	78,393,753	0.8%	(346,683)	78,047,070	0.4%
Motor Vehicle Inspection Fees	2,810,679	-5.5%	2,952,500	(141,822)	-4.8%	2,952,500	5.0%	0	2,952,500	5.0%
Other Highway Fund Taxes and Fees	1,338,193	-3.9%	1,268,543	69,650	5.5%	1,270,460	-5.1%	55,363	1,325,823	-0.9%
Fines, Forfeits and Penalties	1,440,062	-19.3%	1,745,049	(304,987)	-17.5%	1,745,049	21.2%	(440,000)	1,305,049	-9.4%
Income from Investments	162,488	-66.2%	113,330	49,158	43.4%	32,446	-80.0%	89,592	122,038	-24.9%
Other Highway Fund Revenues	8,480,545	-13.5%	8,387,253	93,292	1.1%	8,146,695	-3.9%	(44,164)	8,102,531	-4.5%
<b>Total - Highway Fund Revenue</b>	<b>311,190,374</b>	<b>-4.0%</b>	<b>309,491,766</b>	<b>1,698,608</b>	<b>0.5%</b>	<b>307,066,369</b>	<b>-1.3%</b>	<b>662,438</b>	<b>307,728,807</b>	<b>-1.1%</b>

**HIGHWAY FUND REVENUE**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010**

Source	FY12 Budget	% Chg.	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.	FY14 Projection	% Chg.	FY15 Projection	% Chg.
Fuel Taxes														
- Gasoline Tax	191,390,002	1.0%	7,183,998	198,574,000	2.0%	196,479,999	2.7%	7,054,001	203,534,000	2.5%	210,224,000	3.3%	217,314,000	3.4%
- Special Fuel and Road Use Taxes	47,670,000	1.0%	(3,808,211)	43,861,789	0.5%	48,620,000	2.0%	(4,208,211)	44,411,789	1.3%	45,481,789	2.4%	46,351,789	1.9%
- Transcap Transfers - Fuel Taxes	(17,563,044)	1.0%	(239,709)	(17,802,753)	1.7%	(18,006,497)	2.5%	(200,204)	(18,206,701)	2.3%	(18,776,154)	3.1%	(19,359,856)	3.1%
- Other Fund Gasoline Tax Distributions	(4,886,091)	0.9%	(179,650)	(5,065,741)	2.0%	(5,013,374)	2.6%	(176,401)	(5,189,775)	2.4%	(5,357,072)	3.2%	(5,534,371)	3.3%
Subtotal - Fuel Taxes	216,610,867	1.0%	2,956,428	219,567,295	1.7%	222,080,128	2.5%	2,469,185	224,549,313	2.3%	231,572,563	3.1%	238,771,562	3.1%
Motor Vehicle Registration and Fees														
- Motor Vehicle Registration Fees	67,172,492	-1.3%	(2,423,830)	64,748,662	0.0%	66,842,384	-0.5%	(2,093,722)	64,748,662	0.0%	64,748,662	0.0%	64,748,662	0.0%
- License Plate Fees	3,207,170	-2.2%	234,964	3,442,134	-0.1%	3,209,285	0.1%	230,221	3,439,506	-0.1%	3,439,506	0.0%	3,439,506	0.0%
- Long-term Trailer Registration Fees	6,183,601	0.0%	1,700,922	7,884,523	0.0%	6,183,601	0.0%	1,700,922	7,884,523	0.0%	7,884,523	0.0%	7,884,523	0.0%
- Title Fees	9,665,069	0.0%	1,379,222	11,044,291	1.6%	9,665,069	0.0%	1,446,809	11,111,878	0.6%	11,111,878	0.0%	11,111,878	0.0%
- Motor Vehicle Operator License Fees	9,423,211	68.6%	(277,258)	9,145,953	53.5%	10,096,549	7.1%	(655,366)	9,441,183	3.2%	8,607,905	-8.8%	7,511,583	-12.7%
- Transcap Transfers - Motor Vehicle Fees	(14,388,498)	0.0%	(494,532)	(14,883,030)	0.4%	(14,388,498)	0.0%	(515,012)	(14,903,510)	0.1%	(14,903,510)	0.0%	(14,903,510)	0.0%
Subtotal - Motor Vehicle Reg. & Fees	81,263,045	3.7%	119,488	81,382,533	4.3%	81,608,390	0.4%	113,852	81,722,242	0.4%	80,888,964	-1.0%	79,792,642	-1.4%
Motor Vehicle Inspection Fees	2,982,500	1.0%	0	2,982,500	1.0%	2,982,500	0.0%	0	2,982,500	0.0%	2,982,500	0.0%	2,982,500	0.0%
Other Highway Fund Taxes and Fees	1,245,752	-1.9%	60,053	1,305,805	-1.5%	1,245,752	0.0%	60,053	1,305,805	0.0%	1,305,805	0.0%	1,305,805	0.0%
Fines, Forfeits and Penalties	1,745,049	0.0%	(440,000)	1,305,049	0.0%	1,745,049	0.0%	(440,000)	1,305,049	0.0%	1,305,049	0.0%	1,305,049	0.0%
Income from Investments	32,446	0.0%	62,085	94,531	-22.5%	32,446	0.0%	62,085	94,531	0.0%	448,013	373.9%	448,013	0.0%
Other Highway Fund Revenues	8,215,835	0.8%	172,608	8,388,443	3.5%	8,220,835	0.1%	189,569	8,410,404	0.3%	8,382,964	-0.3%	8,424,124	0.5%
<b>Total - Highway Fund Revenue</b>	<b>312,095,494</b>	<b>1.6%</b>	<b>2,930,662</b>	<b>315,026,156</b>	<b>2.4%</b>	<b>317,915,100</b>	<b>1.9%</b>	<b>2,454,744</b>	<b>320,369,844</b>	<b>1.7%</b>	<b>326,885,858</b>	<b>2.0%</b>	<b>333,029,695</b>	<b>1.9%</b>
<b>Change in Biennial Totals</b>								<b>5,385,406</b>						

**FUND FOR A HEALTHY MAINE (FHM) REVENUE  
(TOBACCO SETTLEMENT REVENUE)  
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010**

Source	FY04 Actual	% Chg.	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.
Tobacco Settlement Payments:												
- Base Payments	48,952,964	24.4%	49,033,129	0.2%	45,011,759	-8.2%	47,113,687	4.7%	47,679,747	1.2%	52,579,385	10.3%
- Strategic Contribution Payments									10,539,443	N/A	10,799,369	2.5%
Racino Revenue *	0	N/A	0	N/A	1,771,173	N/A	3,538,805	99.8%	3,735,774	5.6%	4,981,163	33.3%
Income from Investments	54,830	-92.0%	91,444	66.8%	124,780	36.5%	297,803	138.7%	64,695	-78.3%	49,819	-23.0%
Attorney General Reimbursements and Other Income **	0	N/A	220	N/A	39	-82.2%	217	453.5%	25,080	N/A	0	N/A
<b>Total - FHM Revenue</b>	<b>49,007,794</b>	<b>-13.2%</b>	<b>49,124,793</b>	<b>0.2%</b>	<b>46,907,751</b>	<b>-4.5%</b>	<b>50,950,512</b>	<b>8.6%</b>	<b>62,044,739</b>	<b>21.8%</b>	<b>68,409,736</b>	<b>10.3%</b>

\* Racino Revenue reflects that portion of the State's share of proceeds from slot machines at commercial race tracks designated for the Fund for a Healthy Maine. For fiscal years 2009-10, 2010-11, and 2011-12, PL 2009, c. 462, Pt. H. caps the proceeds transferred to the Fund for a Healthy Maine at \$4.5 million per year, with the balance transferred to the General Fund.

\*\* Beginning in FY10, this category reflects revenue transfers from the Fund for a Healthy Maine to General Fund undedicated revenue to offset revenue reductions from the implementation of PL 2007, c. 467, which limited the sale of certain flavored cigars and cigarettes beginning July 1, 2009.

**FUND FOR A HEALTHY MAINE (FHM) REVENUE  
(TOBACCO SETTLEMENT REVENUE)  
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010**

Source	FY10 Actual	% Chg.	FY10 Budget	FY 10 Variance	% Var.	FY11 Budget	% Chg.	Recom. Chg.	FY11 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	43,756,453	-16.8%	45,253,322	(1,496,869)	-3.3%	42,839,213	-2.1%	(2,746,398)	40,092,815	-6.4%
- Strategic Contribution Payments	9,375,838	-13.2%	9,716,966	(341,128)	-3.5%	9,227,296	-1.6%	(884,637)	8,342,659	-9.6%
Racino Revenue *	4,500,000	-9.7%	4,500,000	0	0.0%	4,500,000	0.0%	0	4,500,000	0.0%
Income from Investments	20,511	-58.8%	14,335	6,176	43.1%	2,174	-89.4%	1,592	3,766	73.2%
Attorney General Reimbursements and Other Income **	(92,660)	N/A	(92,660)	0	N/A	(145,147)	56.6%	0	(145,147)	0.0%
<b>Total - FHM Revenue</b>	<b>57,560,142</b>	<b>-7.2%</b>	<b>59,391,963</b>	<b>(1,831,821)</b>	<b>-3.1%</b>	<b>56,423,536</b>	<b>-17.5%</b>	<b>(3,629,443)</b>	<b>52,794,093</b>	<b>-6.4%</b>

\* Racino Revenue reflects that portion of the State's share of proceeds from slot machines at commercial race tracks designated for the Fund for a Healthy Maine. For fiscal years 2009-10, 2010-11, and 2011-12, PL 2009, c. 462, Pt. H. caps the proceeds transferred to the Fund for a Healthy Maine at \$4.5 million per year, with the balance transferred to the General Fund.

\*\* Beginning in FY10, this category reflects revenue transfers from the Fund for a Healthy Maine to General Fund undedicated revenue to offset revenue reductions from the implementation of PL 2007, c. 467, which limited the sale of certain flavored cigars and cigarettes beginning July 1, 2009.



**FUND FOR A HEALTHY MAINE (FHM) REVENUE  
(TOBACCO SETTLEMENT REVENUE)  
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010**

Source	FY12 Budget	% Chg.	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.	FY14 Projection	% Chg.	FY15 Projection	% Chg.
Tobacco Settlement Payments:														
- Base Payments	49,128,512	14.7%	(8,472,413)	40,656,099	1.4%	48,438,445	-1.4%	(7,759,977)	40,678,468	0.1%	46,373,513	14.0%	45,870,270	-1.1%
- Strategic Contribution Payments	9,351,164	1.3%	(890,524)	8,460,640	1.4%	9,256,695	-1.0%	(788,970)	8,467,725	0.1%	8,474,817	0.1%	8,481,914	0.1%
Racino Revenue *	4,500,000	0.0%	0	4,500,000	0.0%	5,813,386	29.2%	(211,491)	5,601,895	24.5%	5,769,952	3.0%	5,943,051	3.0%
Income from Investments	2,400	10.4%	1,775	4,175	10.9%	2,500	4.2%	6,334	8,834	111.6%	22,512	154.8%	22,512	0.0%
Attorney General Reimbursements and Other Income **	(161,699)	11.4%	(87)	(161,786)	11.5%	(164,662)	1.8%	(89)	(164,751)	1.8%	(167,956)	1.9%	(171,315)	2.0%
<b>Total - FHM Revenue</b>	<b>62,820,377</b>	<b>11.3%</b>	<b>(9,361,249)</b>	<b>53,459,128</b>	<b>1.3%</b>	<b>63,346,364</b>	<b>0.8%</b>	<b>(8,754,193)</b>	<b>54,592,171</b>	<b>2.1%</b>	<b>60,472,838</b>	<b>10.8%</b>	<b>60,146,432</b>	<b>-0.5%</b>
<b>Change in Biennial Totals</b>	<b>(18,115,442)</b>													

\* Racino Revenue reflects that portion of the State's share of proceeds from slot machines at commercial race tracks designated for the Fund for a Healthy Maine. For fiscal years 2009-10, 2010-11, and 2011-12, PL 2009, c. 462, Pt. H. caps the proceeds transferred to the Fund for a Healthy Maine at \$4.5 million per year, with the balance transferred to the General Fund.

\*\* Beginning in FY10, this category reflects revenue transfers from the Fund for a Healthy Maine to General Fund undedicated revenue to offset revenue reductions from the implementation of PL 2007, c. 467, which limited the sale of certain flavored cigars and cigarettes beginning July 1, 2009.

**MEDICAID/MAINECARE DEDICATED REVENUE TAXES**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010**

Source	FY04 Actual	% Chg.	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.
Nursing Facility Tax*	30,501,448	38.3%	29,241,327	-4.1%	31,397,376	7.4%	30,061,513	-4.3%	31,343,582	4.3%	28,777,390	-8.2%
Residential Treatment Facility (ICFs/MR) Tax*	1,617,662	3.4%	1,958,739	21.1%	1,868,534	-4.6%	1,880,205	0.6%	1,819,275	-3.2%	1,572,670	-13.6%
Hospital Tax **	16,383,319	N/A	48,907,135	198.5%	54,050,888	10.5%	59,807,056	10.6%	60,515,510	1.2%	69,958,821	15.6%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)***	0	N/A	15,430,099	N/A	30,779,242	99.5%	33,955,412	10.3%	36,494,882	7.5%	37,720,482	3.4%
<b>Total - Health Care Provider Taxes</b>	<b>48,502,429</b>	<b>105.4%</b>	<b>95,537,301</b>	<b>97.0%</b>	<b>118,096,040</b>	<b>23.6%</b>	<b>125,704,185</b>	<b>6.4%</b>	<b>130,173,249</b>	<b>3.6%</b>	<b>138,029,363</b>	<b>6.0%</b>
<b>Change in Biennial Totals</b>												

\* The nursing facility and residential treatment facility tax rates were decreased in PL 2007, c. 539, Part X from 6.0% to 5.5% beginning in FY09 consistent with federal law.

\*\* The hospital tax base year was modified again in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09; and again in PL 2009, c. 571 to hospital fiscal years ending during calendar year 2008 beginning in FY 11.

\*\*\* The MaineCare service provider tax was expanded in FY06 to include: community support services (effective 6/29/05), day habilitation services (effective 7/1/05), personal support services (effective 7/1/05) and residential training services (effective 7/1/05).

**MEDICAID/MAINECARE DEDICATED REVENUE TAXES**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010**

Source	FY10 Actual	% Chg.	FY10 Budget	FY10 Variance	% Var.	FY11 Budget	% Chg.	Recom. Chg.	FY11 Revised	% Chg.
Nursing Facility Tax	32,403,540	12.6%	30,173,119	2,230,421	7.4%	30,173,119	-6.9%	2,230,421	32,403,540	7.4%
Residential Treatment Facility (ICFs/MR) Tax	1,859,374	18.2%	1,553,655	305,719	19.7%	1,553,655	-16.4%	305,719	1,859,374	19.7%
Hospital Tax **	70,140,794	0.3%	70,034,678	106,116	0.2%	81,386,215	16.0%	0	81,386,215	16.2%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)	35,609,109	-5.6%	36,565,802	(956,693)	-2.6%	35,794,353	0.5%	(185,244)	35,609,109	-2.6%
<b>Total - Health Care Provider Taxes</b>	<b>140,012,817</b>	<b>1.4%</b>	<b>138,327,254</b>	<b>1,685,563</b>	<b>1.2%</b>	<b>148,907,342</b>	<b>6.4%</b>	<b>2,350,896</b>	<b>151,258,238</b>	<b>9.3%</b>

\*\* The hospital tax base year was modified again in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09; and again in PL 2009, c. 571 to hospital fiscal years ending during calendar year 2008 beginning in FY 11.

**MEDICAID/MAINECARE DEDICATED REVENUE TAXES**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2010**

Source	FY12 Budget	% Chg.	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.	FY14 Projection	% Chg.	FY15 Projection	% Chg.
Nursing Facility Tax	30,173,119	0.0%	2,230,421	32,403,540	0.0%	30,173,119	0.0%	2,230,421	32,403,540	0.0%	32,403,540	0.0%	32,403,540	0.0%
Residential Treatment Facility (ICFs/MR) Tax	1,553,655	0.0%	305,719	1,859,374	0.0%	1,553,655	0.0%	305,719	1,859,374	0.0%	1,859,374	0.0%	1,859,374	0.0%
Hospital Tax	81,386,215	0.0%	0	81,386,215	0.0%	81,386,215	0.0%	0	81,386,215	0.0%	81,386,215	0.0%	81,386,215	0.0%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)	35,794,353	0.0%	(185,244)	35,609,109	0.0%	35,794,353	0.0%	(185,244)	35,609,109	0.0%	35,609,109	0.0%	35,609,109	0.0%
<b>Total - Health Care Provider Taxes</b>	<b>148,907,342</b>	<b>0.0%</b>	<b>2,350,896</b>	<b>151,258,238</b>	<b>0.0%</b>	<b>148,907,342</b>	<b>0.0%</b>	<b>2,350,896</b>	<b>151,258,238</b>	<b>0.0%</b>	<b>151,258,238</b>	<b>0.0%</b>	<b>151,258,238</b>	<b>0.0%</b>
<b>Change in Biennial Totals</b>								<b>4,701,792</b>						

\*\* The hospital tax base year was modified again in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09; and again in PL 2009, c. 571 to hospital fiscal years ending during calendar year 2008 beginning in FY 11.