

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

DATE: 3/7/2000

(Filing No. S-525)

TAXATION

Reported by:

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE
SENATE
119TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 909, L.D. 2361, Bill, "An Act to Allow State Pharmacies a Tax Credit for Unreimbursed Medicaid Costs"

Amend the bill in section 1 in that part designated "S5219-S." by striking out all of the first paragraph (page 1, lines 7 to 12 in L.D.) and inserting in its place the following:

'A drug outlet registered under Title 32, section 13751 is allowed a credit against the tax imposed under this Part equal to the annual total of point-of-sale prescription drug copayments waived by the drug outlet for Medicaid recipients as required by federal law. The credit authorized by this section may not reduce the tax to less than zero.'

Further amend the bill by inserting after section 2 the following:

'Sec. 3. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

2000-01

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Bureau of Revenue Services

All Other \$6,000

COMMITTEE AMENDMENT "A" to S.P. 909, L.D. 2361

2 Provides funds for computer programming
3 expenses related to adding a line to the
4 corporate income tax form.'

6 Further amend the bill by inserting at the end before the
7 summary the following:

8

10 **FISCAL NOTE**

12 **2000-01**

14 **APPROPRIATIONS/ALLOCATIONS**

16 General Fund \$6,000

18 **REVENUES**

20 General Fund (\$199,476)
21 Other Funds (10,720)

22

23 The income tax credit for pharmacies waiving certain
24 prescription drug copayments will decrease individual and
25 corporate income tax collections by a combined total of \$210,196
26 in fiscal year 2000-01, \$857,600 in fiscal year 2001-02 and
27 \$926,207 in fiscal year 2000-03. The reduction of these tax
28 collections will decrease the amounts transferred to the Local
29 Government Fund for state-municipal revenue sharing in those
30 years by \$10,720, \$43,738 and \$47,237, respectively. The
31 resulting net reductions of General Fund revenue will be \$199,476
32 in fiscal year 2000-01, \$813,862 in fiscal year 2001-02 and
33 \$878,970 in fiscal year 2002-03.

34

35 The Bureau of Revenue Services will incur additional costs
36 estimated to be \$6,000 in fiscal year 2000-01 for computer
37 programming related to adding a line to the corporate income tax
38 form. A General Fund appropriation is included to fund these
39 additional costs.'

40

42 **SUMMARY**

43 This amendment clarifies that drug outlets may claim the
44 credit authorized by the bill and provides that the credit is
45 nonrefundable. The amendment also adds a fiscal note to the bill.
46