

# MAINE STATE LEGISLATURE

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Date: 6/2/19

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Minority  
HEALTH AND HUMAN SERVICES

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
124TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 200, L.D. 254, Bill, "An Act To Enact a 5-point Welfare Reform Program"

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

'An Act To Enact a New Hire Tax Credit'

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

'Sec. 1. 36 MRSA §5219-EE is enacted to read:

§5219-EE. New hire tax credit

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Employing unit" has the same meaning as in Title 26, section 1043, subsection 10.

B. "Qualifying person" means a person who, in the month prior to employment with an employing unit, was a recipient of benefits under the ASPIRE-TANF program under Title 22, chapter 1053-B and who is currently employed for at least 20 hours per week on average by the employing unit.

2. Amount of credit. For tax years beginning on or after January 1, 2010, a taxpayer that is an employing unit is allowed a tax credit against the tax otherwise due under this Part equal to 50% of the gross wages paid during the taxable year to a qualifying person during the first 12 continuous months of employment by the taxpayer.

3. Limitation. The tax credit under this section may not exceed \$10,000 for the taxable year and may not reduce the tax otherwise due under this Part to less than zero. A taxpayer entitled to a credit under this section for any taxable year may carry over and apply to the tax liability for any one or more of the succeeding 2 tax years the portion, as reduced from year to year, of any unused credit amount.

COMMITTEE AMENDMENT





# 124th MAINE LEGISLATURE

LD 254

LR 731(03)

## An Act To Enact a 5-point Welfare Reform Program

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Health and Human Services

Fiscal Note Required: Yes

### Fiscal Note

	2009-10	2010-11	Projections 2011-12	Projections 2012-13
<b>Net Cost (Savings)</b>				
General Fund	\$431,933	\$1,101,430	\$1,156,502	\$1,214,327
<b>Revenue</b>				
General Fund	(\$431,933)	(\$1,101,430)	(\$1,156,502)	(\$1,214,327)
Other Special Revenue Funds	(\$22,733)	(\$57,971)	(\$60,868)	(\$63,912)

### Fiscal Detail and Notes

This bill includes an individual or corporate new hire tax credit to an employer that hires a participant in the ASPIRE-TANF program beginning on or after January 1, 2010. The tax credit will reduce revenue to the General Fund by \$431,933 in FY 2009-10 and by \$1,101,430 in FY 2010-11. The tax credit will also reduce revenue to the Local Government Fund by \$22,733 in FY 2009-10 and \$57,971 in FY 2010-11. The costs to Maine Revenue Services associated with implementation of this tax credit can be absorbed within existing budgeted resources. Any direct impact to the Department of Health and Human Service's ASPIRE and TANF program spending is assumed to be minor given federal maintenance of effort spending requirements.