MAINE STATE LEGISLATURE

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1	L.D. 1830
2	Date: 4/6/10 Majority (Filing No. H-825
3	APPROPRIATIONS AND FINANCIAL AFFAIRS
4	Reproduced and distributed under the direction of the Clerk of the House.
5	STATE OF MAINE
6	HOUSE OF REPRESENTATIVES
7	124TH LEGISLATURE
8	SECOND REGULAR SESSION
9 10	COMMITTEE AMENDMENT "A" to H.P. 1321, L.D. 1830, Bill, "An Act To Make Administrative Changes to Tax Laws To Maintain a Balanced Budget"
11	Amend the bill by incorporating the attached fiscal note.
12	SUMMARY
13	This amendment incorporates a fiscal note.

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124th MAINE LEGISLATURE

LD 1830

LR 2659(02)

An Act To Make Administrative Changes to Tax Laws To Maintain a Balanced Budget

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

Committee: Appropriations and Financial Affairs

Fiscal Note Required: Yes

Fiscal Note

Contingent Revenue Increase - General Fund Contingent Revenue Increase - Other Special Revenue Funds Contingent current biennium savings - General Fund

Fiscal Detail and Notes

Presented below is a summary of the revised fiscal impact of Public Law 2009, chapter 382. The fiscal impact of that law has changed from its original fiscal impact as a result of its suspension pursuant to a people's veto. That revised impact is also compared to the impact that would result with the one-year delay in the effective dates in this bill. The impacts presented immediately below would occur only if the people's veto fails at the June 2010 referendum.

	2009-10	2010-11	2011-12	2012-13					
Summary of Revenue Effects - Original Fiscal Note for Public Law 2009, chapter 382:									
Individual Income Tax									
General Fund	(\$32,762,193)	(\$84,498,244)	(\$87,558,520)	(\$80,599,999)					
Local Government Fund	(\$1,724,326)	(\$4,447,276)	(\$4,608,344)	(\$4,242,106)					
Sales and Use Tax									
General Fund	\$40,671,839	\$79,476,224	\$81,261,687	\$85,358,183					
Local Government Fund	\$2,140,623	\$4,333,576	\$4,503,893	\$4,721,321					
Tourism Marketing Promotion Fund	\$0	\$2,861,732	\$4,312,287	\$4,346,929					
Tax and Rent Relief									
General Fund	\$0	(\$808,753)	\$0	\$0					
Total General Fund Revenue	\$7,909,646	(\$5,830,773)	(\$6,296,833)	\$4,758,184					

CA(H-825) to LD 1830

	2009-10	2010-11	2011-12	2012-13
Summary of Revenue Effects - If people's veto	fails and no date	changes:		
Individual Income Tax				
General Fund	\$0	(\$114,263,000)	(\$79,450,000)	(\$71,186,000)
Local Government Fund	\$0	(\$6,014,000)	(\$4,182,000)	(\$3,747,000)
Sales and Use Tax				
General Fund	\$0	\$65,523,000	\$70,743,000	\$73,240,000
Local Government Fund	\$0	\$3,449,000	\$3,929,000	\$4,074,000
Tourism Marketing Promotion Fund	\$0	\$0	\$3,911,000	\$4,171,000
Tax and Rent Relief				
General Fund	\$0	(\$809,000)	\$0	\$0
Total General Fund Revenue	<u> </u>	(\$49,549,000)	(\$8,707,000)	\$2,054,000
Summary of Revenue Effects - If people's veto f	ails and effective	dates delayed or	ie year:	
Summary of Davanua Effects - If populate vote (2009-10	2010-11	2011-12	2012-13
Individual Income Tax				
General Fund	\$0	(\$32,813,000)	(\$79,450,000)	(\$71,186,000)
General Fund Local Government Fund	\$0 \$0	(\$32,813,000) (\$1,727,000)	(\$79,450,000) (\$4,182,000)	
	·			
Local Government Fund	·			
Local Government Fund Sales and Use Tax	\$0	(\$1,727,000)	(\$4,182,000)	(\$3,747,000)
Local Government Fund <u>Sales and Use Tax</u> General Fund	\$0 \$0	(\$1,727,000) \$32,757,000	(\$4,182,000) \$72,110,000	(\$3,747,000) \$73,158,000
Local Government Fund Sales and Use Tax General Fund Local Government Fund	\$0 \$0 \$0	(\$1,727,000) \$32,757,000 \$1,724,000	(\$4,182,000) \$72,110,000 \$3,929,000	(\$3,747,000) \$73,158,000 \$4,074,000
Local Government Fund Sales and Use Tax General Fund Local Government Fund Tourism Marketing Promotion Fund	\$0 \$0 \$0	(\$1,727,000) \$32,757,000 \$1,724,000	(\$4,182,000) \$72,110,000 \$3,929,000	(\$3,747,000) \$73,158,000 \$4,074,000
Local Government Fund Sales and Use Tax General Fund Local Government Fund Tourism Marketing Promotion Fund Fax and Rent Relief	\$0 \$0 \$0 \$0	(\$1,727,000) \$32,757,000 \$1,724,000 \$0	(\$4,182,000) \$72,110,000 \$3,929,000 \$2,544,000	\$73,158,000 \$4,074,000 \$4,253,000

This bill does not adjust the appropriations and allocations included in Public Law 2009, chapter 382. However, the suspension of that law due to the people's veto has affected the timing and the amount of the administrative costs that would be incurred by Maine Revenue Services, Department of Administrative and Financial Services. If the people's veto fails, the original appropriations included in the Act would become effective, except that the appropriations in fiscal year 2009-10 would lapse due to an effective date after the close of the fiscal year. Presented below is a comparison of the total administrative costs of the original bill, the administrative costs as affected by the suspension due to the people's veto with no date changes and the administrative impact with the date changes. All of these costs are contingent and would only occur if the people's veto fails.

	2009-10	2010-11	2011-12	2012-13
Contingent General Fund Administrative Costs:				
Original appropriations in PL 2009, c. 382	\$523,073	\$1,511,091	\$967,304	\$1,015,664
Costs with suspension by people's veto	\$0	\$1,535,804	\$1,140,890	\$1,050,934
Costs with suspension and one-year delay	\$0	\$635,479	\$1,542,013	\$1,062,878