

MAINE STATE LEGISLATURE

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Date: 3/28/14

L.D. 1795
(Filing No. H-767)

TAXATION

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
126TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1287, L.D. 1795, Bill, "An Act To Remove Medical and Dental Expenses from the Itemized Deduction Cap"

Amend the bill by adding after section 2 the following:

'Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

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

Initiative: Provides an allocation of contingent-fee funding for contractor-provided automated tax collection functions, including but not limited to placing levies, verifying taxpayer addresses and collection priority scoring.

OTHER SPECIAL REVENUE FUNDS	2013-14	2014-15
All Other	\$0	\$2,000,000
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$2,000,000

Revenue Services, Bureau of 0002

Initiative: Provides an allocation of contingent-fee funding for contracted tax collection services to enable the contractor to hire 8 additional collectors and to fund overtime for additional collection services.

OTHER SPECIAL REVENUE FUNDS	2013-14	2014-15
All Other	\$0	\$600,000
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$600,000

COMMITTEE AMENDMENT

ROFS

1	ADMINISTRATIVE AND FINANCIAL		
2	SERVICES, DEPARTMENT OF		
3	DEPARTMENT TOTALS	2013-14	2014-15
4			
5	OTHER SPECIAL REVENUE FUNDS	\$0	\$2,600,000
6			
7	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$2,600,000
8			

9 **SUMMARY**

10 This amendment provides allocations to the Department of Administrative and
11 Financial Services, Bureau of Revenue Services to increase contingent-fee funding for
12 contracted tax collection services to hire 8 additional collectors and improve automated
13 collection functions.

14 **FISCAL NOTE REQUIRED**
15 **(See attached)**

COMMITTEE AMENDMENT



126th MAINE LEGISLATURE

LD 1795

LR 2809(02)

An Act To Remove Medical and Dental Expenses from the Itemized Deduction Cap

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-767)

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2013-14	FY 2014-15	Projections FY 2015-16	Projections FY 2016-17
Net Cost (Savings)				
General Fund	\$0	(\$1,913,680)	(\$4,286,030)	(\$13,101,643)
Appropriations/Allocations				
Other Special Revenue Funds	\$0	\$2,600,000	\$5,100,000	\$1,600,000
Revenue				
General Fund	\$0	\$1,913,680	\$4,286,030	\$13,101,643
Other Special Revenue Funds	\$0	\$2,700,720	\$5,334,002	\$2,289,560

Fiscal Detail and Notes

This bill removes medical and dental expenses from the cap on itemized deductions and would result in a reduction in General Fund and Local Government Fund revenues of \$5,097,320 and \$268,280 in fiscal year 2014-15, respectively .

The bill also includes an Other Special Revenue Funds allocation to the Bureau of Revenue Services of \$2,600,000 in fiscal year 2014-15 for contingent-fee payments for contracted tax collection services. Expanded collection efforts are projected to increase gross tax collections by 9,980,000 in fiscal year 2014-15, with \$7,011,000 going to the General Fund, \$369,000 going to the Local Government Fund and \$2,600,000 going to fund the allocation for contractor payments.