

MAINE STATE LEGISLATURE

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ROES

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L.D. 1383

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Date: 5/29/15

(Filing No. S-150)

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TAXATION

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STATE OF MAINE

6

SENATE

7

127TH LEGISLATURE

8

FIRST REGULAR SESSION

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COMMITTEE AMENDMENT "A" to S.P. 512, L.D. 1383, Bill, "An Act To Attract Young People to Maine by Expanding the Job Creation Through Educational Opportunity Program"

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Amend the bill in section 2 in paragraph B-1 in the 3rd and 4th lines (page 1, lines 14 and 15 in L.D.) by striking out the following: "or an accredited non-Maine community college, college or university under paragraph G, subparagraph (1), division (b)"

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Amend the bill in section 2 in paragraph B-1 in the 11th line (page 1, line 22 in L.D.) by inserting after the following: "December 31, 2012." the following: "For the purposes of a qualified individual claiming a credit under this section for tax years beginning on or after January 1, 2016, the financial aid package may include financial aid obtained by a student for attendance at an accredited non-Maine community college, college or university under paragraph G, subparagraph (1), division (b) after December 31, 2007."

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Amend the bill in section 2 in paragraph D-1 by striking out all of subparagraphs (2), (3) and (4) (page 1, lines 34 to 42 and page 2, lines 1 to 10 in L.D.) and inserting the following:

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'(2) For an individual obtaining a bachelor's degree and graduating ~~from an~~ ~~accredited Maine community college, college or university~~ on or after January 1, 2015, the average in-state tuition and mandatory fees for attendance at the University of Maine System for the academic year ending during the calendar year prior to the year of graduation multiplied by 4; ~~and~~

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(3) For an individual obtaining an associate degree and graduating ~~from an~~ ~~accredited Maine community college, college or university~~ on or after January 1, 2015, the average in-state tuition and mandatory fees for attendance at the Maine Community College System for the academic year ending during the calendar year prior to the year of graduation multiplied by 2; ~~and~~

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(4) For an individual obtaining a graduate degree on or after January 1, 2016, the average in-state tuition and mandatory fees for attendance at the University of

R.O.F.S

COMMITTEE AMENDMENT " A " to S.P. 512, L.D. 1383

1 Maine System for the academic year ending during the calendar year prior to the
2 year of graduation multiplied by 4.'

3 Amend the bill by adding after section 5 the following:

4 'Sec. 6. Appropriations and allocations. The following appropriations and
5 allocations are made.

6 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

7 **Revenue Services, Bureau of 0002**

8 Initiative: Establishes one Tax Examiner position and related All Other costs to review
9 and process additional claims for the educational opportunity tax credit.

10	GENERAL FUND	2015-16	2016-17
11	POSITIONS - LEGISLATIVE COUNT	0.000	1.000
12	Personal Services	\$0	\$36,005
13	All Other	\$0	\$4,447
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15	GENERAL FUND TOTAL	\$0	\$40,452
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17 **SUMMARY**

18 This amendment makes changes to clarify the intent of the bill and adds an
19 appropriations and allocations section.

20 **FISCAL NOTE REQUIRED**

21 (See attached)

COMMITTEE AMENDMENT



127th MAINE LEGISLATURE

LD 1383

LR 991(02)

An Act To Attract Young People to Maine by Expanding the Job Creation Through Educational Opportunity Program

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-150)

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
Net Cost (Savings)				
General Fund	\$0	\$344,452	\$4,066,782	\$7,866,782
Appropriations/Allocations				
General Fund	\$0	\$40,452	\$76,782	\$76,782
Revenue				
General Fund	\$0	(\$304,000)	(\$3,990,000)	(\$7,790,000)
Other Special Revenue Funds	\$0	(\$16,000)	(\$210,000)	(\$410,000)

Fiscal Detail and Notes

This bill expands eligibility for the educational opportunity tax credit to persons graduating from non-Maine colleges, to cover graduate degrees and to permit coverage of refinanced or consolidated loans. It would result in a loss of General Fund revenue of 304,000 in fiscal year 2016-17 and a loss of Local Government Fund revenue of \$16,000 in fiscal year 2016-17. The revenue loss will increase significantly for a period of approximately 15 years after fiscal year 2018-19 as new graduates become eligible, loan repayment deferments end and taxpayers claim credit carryforwards. The bill includes General Fund appropriations to the Bureau of Maine Revenue Services of \$40,452 in fiscal year 2016-17 and \$76,782 annually thereafter for one Tax Examiner position and related costs to review and process additional claims for the tax credit.