

MAINE STATE LEGISLATURE

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SOMC
PROCS

L.D. 928

Date: 5/24/17

Minority

(Filing No. H-281)

TAXATION

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
128TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 656, L.D. 928, Bill, "An Act Requiring a Dynamic Fiscal Analysis of Changes to Visual Media Production Tax Credits and Reimbursements"

Amend the bill in Part A in section 1 in the 18th line (page 1, line 36 in L.D.) by striking out the following: "August" and inserting the following: 'November'

Amend the bill in Part A in section 1 in the last line (page 1, line 38 in L.D.) by inserting after the following: "Review" the following: 'by that date'

Amend the bill in Part A in section 2 in the first line (page 2, line 1 in L.D.) by striking out the following: "August" and inserting the following: 'December'

Amend the bill in Part B by striking out all of section 7 and inserting the following:

'Sec. B-7. Contingent effective date. The provisions of this Part amending the Maine Revised Statutes, Title 5, section 13090-L and Title 36, sections 191, 6901 and 6902, subsection 1, repealing Title 36, section 5219-Y and enacting Title 36, section 6902, subsection 1-A take effect January 1, 2018 and apply to tax years beginning on or after January 1, 2018 if the Department of Administrative and Financial Services, Maine Revenue Services and the Office of Fiscal and Program Review jointly report to the Joint Standing Committee on Taxation by December 15, 2017 that the result of the dynamic fiscal analysis pilot project conducted pursuant to Part A is a positive fiscal impact on state revenue. Maine Revenue Services and the Office of Fiscal and Program Review shall provide a copy of their joint report and certify to the Secretary of State and the Office of the Revisor of Statutes by December 31, 2017 the determination as to the positive or negative fiscal impact on state revenue of the pilot project conducted pursuant to Part A.'

SUMMARY

This amendment retains the provisions of the bill and changes certain dates. It extends the completion date for the proposed pilot project until November 1, 2017, the date for Maine Revenue Services and the Office of Fiscal and Program Review to report

COMMITTEE AMENDMENT

PROS

COMMITTEE AMENDMENT "A" to H.P. 656, L.D. 928

1 to the Joint Standing Committee on Taxation until December 15, 2017 and the date to
2 certify the fiscal impact of the proposed changes on state revenue until December 31,
3 2017.

FISCAL NOTE REQUIRED
(See attached)

COMMITTEE AMENDMENT



128th MAINE LEGISLATURE

LD 928

LR 426(02)

An Act Requiring a Dynamic Fiscal Analysis of Changes to Visual Media Production Tax Credits and Reimbursements

Fiscal Note for Bill as Amended by Committee Amendment *A(H-281)*

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

Contingent current biennium revenue increase - General Fund

Fiscal Detail and Notes

The bill increases the reimbursement amount for certified production wages from 12% to 25%, increases the cap on the reimbursement of wages from \$50,000 to \$100,000 and provides a reimbursement of 20% of nonwage production expenses. The implementation of these changes is contingent upon the development and evaluation of a dynamic fiscal analysis that results in a positive fiscal impact on revenue. Reimbursement costs from this bill without taking into account additional revenue generated from the dynamic aspect of the activity is estimated to be \$750,000 to the General Fund in fiscal year 2018-19 and more than \$1,000,000 in subsequent years.

Additional costs to the Legislature's Office of Fiscal and Program Review, the Department of Economic and Community Development, the Department of Administrative and Financial Services and the University of Maine System can be absorbed within existing budgeted resources.