

MAINE STATE LEGISLATURE

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L.D. 1537

Date: 4/18/18

(Filing No. H-773)

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

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 1057,
L.D. 1537, Bill, "An Act To Replace the Educational Opportunity Tax Credit with the
Student Loan Repayment Credit for Maine Residents"

Amend the amendment on page 3 by inserting after subparagraph (3) the following:

'Amend the bill in section 5 in §5217-E in subsection 2 in paragraph A by striking out
all of the 2nd sentence (page 3, lines 22 and 23 in L.D.)

Amend the bill in section 5 in §5217-E in subsection 2 by striking out all of
paragraph B (page 3, lines 27 and 28 in L.D.) and inserting the following:

'B. The credit under this section may not reduce the tax otherwise due under this Part
to less than zero except that the credit under this subsection is refundable to the extent
the credit is based on loans included in the financial aid package acquired:

(1) After 2012 but before 2018 to obtain a bachelor's degree or an associate
degree in science, technology, engineering or mathematics; or

(2) In 2016 or 2017 to obtain any associate degree.

C. A taxpayer entitled to a credit for any taxable year may carry forward and apply
to tax liability for one or more of the next succeeding 5 tax years the portion, as
reduced from year to year, of any unused credit.'

SUMMARY

This amendment provides that the new tax credit for student loan repayments is
refundable for loans acquired from 2013 to 2017 to obtain a bachelor's degree or associate
degree in science, technology, engineering or mathematics or loans acquired in 2016 or

HOUSE AMENDMENT

H. 48.

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 1057, L.D. 1537

1 2017 to obtain any associate's degree. This amendment also provides that any excess tax
2 credit in a taxable year may be carried forward and applied in the 5 succeeding tax years.

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FISCAL NOTE REQUIRED

(See attached)

SPONSORED BY: 

(Representative HANDY)

TOWN: Lewiston

HOUSE AMENDMENT



128th MAINE LEGISLATURE

LD 1537

LR 726(14)

An Act To Replace the Educational Opportunity Tax Credit with the Student Loan Repayment Credit for Maine Residents

Fiscal Note for House Amendment *A* to Committee Amendment "A"

Sponsor: Rep. Handy of Lewiston

Fiscal Note Required: Yes

Fiscal Note

	FY 2017-18	FY 2018-19	Projections FY 2019-20	Projections FY 2020-21
Net Cost (Savings)				
General Fund	\$0	\$0	\$16,530,000	\$18,525,000
Revenue				
General Fund	\$0	\$0	(\$16,530,000)	(\$18,525,000)
Other Special Revenue Funds	\$0	\$0	(\$870,000)	(\$975,000)

Fiscal Detail and Notes

This amendment provides that tax credits under the new Student Loan Repayment Credit for Maine Residents are refundable in certain years for loans used to acquire a degree in science, technology, engineering or mathematics or an associate degree in any major and that unused credit in any taxable year can be carried forward and used in the succeeding 5 tax years. These provisions would reduce General Fund revenue by \$16,530,000 and reduce Local Government Fund revenue by \$870,000 in fiscal year 2019-20. These reductions are in addition to the reductions already expressed in the fiscal note for committee amendment "A".