

# MAINE STATE LEGISLATURE

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Date: 5/14/19

(Filing No. H-259)

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
129TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 718, L.D. 963, Bill, "An Act To Exempt Overtime Pay from Individual Income Tax"

Amend the bill by inserting after section 1 the following:

Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

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

Initiative: Provides funding for one Tax Examiner position and related costs to process income tax returns and perform desk audits.

<b>GENERAL FUND</b>	<b>2019-20</b>	<b>2020-21</b>
POSITIONS - LEGISLATIVE COUNT	1.000	1.000
Personal Services	\$59,885	\$80,883
All Other	\$16,858	\$4,778
<b>GENERAL FUND TOTAL</b>	<b>\$76,743</b>	<b>\$85,661</b>

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment adds an appropriations and allocations section to fund costs of activities necessary to administer the tax change provided in the bill.

FISCAL NOTE REQUIRED

(See attached)

COMMITTEE AMENDMENT



Approved: 05/01/19 *MAC*

# 129th MAINE LEGISLATURE

LD 963

LR 2174(02)

## An Act To Exempt Overtime Pay from Individual Income Tax

Fiscal Note for Bill as Amended by Committee Amendment *A (H-259)*

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
<b>Net Cost (Savings)</b>				
General Fund	\$35,226,743	\$36,660,661	\$37,895,661	\$39,035,661
<b>Appropriations/Allocations</b>				
General Fund	\$76,743	\$85,661	\$85,661	\$85,661
<b>Revenue</b>				
General Fund	(\$35,150,000)	(\$36,575,000)	(\$37,810,000)	(\$38,950,000)
Other Special Revenue Funds	(\$1,850,000)	(\$1,925,000)	(\$1,990,000)	(\$2,050,000)

#### Fiscal Detail and Notes

The bill excludes overtime compensation from income tax if the employer is required by law to pay the overtime and will result in a reduction in General Fund revenue of \$35,150,000 in fiscal year 2019-20 and \$36,575,000 in fiscal year 2020-21. It will also result in a reduction in Local Government Fund revenue of \$1,850,000 in fiscal year 2019-20 and \$1,925,000 in fiscal year 2020-21. This analysis assumes the exclusion includes all wage compensation from overtime hours. The bill includes a General Fund appropriation of \$76,743 in fiscal year 2019-20 and \$85,661 in fiscal year 2020-21 to the Department of Administrative and Financial Services for one Tax Examiner position and related costs to process income tax returns and perform desk audits.