

MAINE STATE LEGISLATURE

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TAXATION

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**STATE OF MAINE
SENATE
129TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 352, L.D. 1164, Bill, "An Act To Improve the Educational Opportunity Tax Credit"

Amend the bill in section 9 in §5217-E in subsection 1 in paragraph D in the 4th line (page 2, line 30 in L.D.) by striking out the following: "after 2007"

Amend the bill in section 9 in §5217-E in subsection 1 in paragraph H subparagraph (1) in the last line (page 3, line 15 in L.D.) by striking out the following: "after 2007"

Amend the bill in section 9 in §5217-E in subsection 2 in paragraph B in the last line (page 4, line 18 in L.D.) by inserting after the following: "zero" the following: ', except that for an individual eligible to receive a refundable credit under section 5217-D for a tax year beginning prior to 2020, the credit under this section is refundable for tax years beginning before January 1, 2022'

Amend the bill by striking out all of section 11 and inserting the following:

'Sec. 11. Appropriations and allocations. The following appropriations and allocations are made.

FINANCE AUTHORITY OF MAINE

Educational Opportunity Tax Credit Marketing Fund Z174

Initiative: Provides funds to market the Job Creation Through Educational Opportunity Program throughout the State.

GENERAL FUND	2019-20	2020-21
All Other	\$75,000	\$75,000
GENERAL FUND TOTAL	<u>\$75,000</u>	<u>\$75,000</u>

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

COMMITTEE AMENDMENT

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SUMMARY

This amendment removes the requirement that a taxpayer's degree was received after 2007 to receive a credit for student loan repayment and provides that taxpayers who were eligible for a refundable credit under the credit for educational opportunity may continue to receive a refundable credit for tax years beginning before January 1, 2022. The amendment also increases from \$50,000 per year to \$75,000 per year the funds provided to market the Job Creation Through Educational Opportunity Program.

FISCAL NOTE REQUIRED
(See Attached)



129th MAINE LEGISLATURE

LD 1164

LR 242(02)

An Act To Improve the Educational Opportunity Tax Credit

Fiscal Note for Bill as Amended by Committee Amendment "A" (S. 2020)

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	\$75,000	\$48,952,500	\$45,390,000	\$30,712,500
Appropriations/Allocations				
General Fund	\$75,000	\$75,000	\$75,000	\$75,000
Revenue				
General Fund	\$0	(\$48,877,500)	(\$45,315,000)	(\$30,637,500)
Other Special Revenue Funds	\$0	(\$2,572,500)	(\$2,385,000)	(\$1,612,500)

Fiscal Detail and Notes

The bill makes several changes to the Educational Opportunity Tax Credit and would result in a reduction in General Fund revenue of \$48,877,500 in fiscal year 2020-21 and a reduction in Local Government Fund revenue of \$2,572,500 in fiscal year 2020-21.

This bill includes ongoing General Fund appropriations of \$75,000 per year beginning in fiscal year 2019-20 to the Educational Opportunity Tax Credit Marketing Fund within the Finance Authority of Maine to market the Job Creation Through Educational Opportunity Program throughout the State.