

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals  
(may include minor formatting differences from printed original)

# **REPORT OF THE MAINE STATE REVENUE FORECASTING COMMITTEE**

**August 2020**



**Michael Allen, Chair**  
**Associate Commissioner for Tax Policy**

**James Breece**  
**University of Maine System**

**Marc Cyr, Principal Analyst**  
**Office of Fiscal & Program Review**

**Beth Ashcroft**  
**State Budget Officer**

**Christopher Nolan, Director**  
**Office of Fiscal & Program Review**

**Amanda Rector**  
**State Economist**





## STATE OF MAINE REVENUE FORECASTING COMMITTEE

### Members:

Michael Allen, Chair, Associate Commissioner of Tax Policy  
Beth Ashcroft, State Budget Officer  
James Breece, University of Maine System  
Marc Cyr, Principal Analyst, Office of Fiscal and Program Review  
Christopher Nolan, Director, Office of Fiscal and Program Review  
Amanda Rector, State Economist

August 1, 2020

TO: Governor Janet T. Mills  
Members, 129<sup>th</sup> Legislature

FROM: Michael Allen, Chair  
Revenue Forecasting Committee

**RE: Revenue Forecast Committee's August 1, 2020 Report**

The Revenue Forecasting Committee (RFC) has concluded a rare “off-cycle” update of its most recent revenue forecast (March 1, 2020) in order to incorporate the new economic forecast released by the Consensus Economic Forecasting Commission (CEFC) on July 1, 2020 and to provide the Governor and Legislature with a revenue forecast that reflects the impact of the COVID-19 pandemic. Tables showing the changes made to all the funds forecasted by the committee and a detailed presentation that includes the key assumptions made in developing the forecast have been posted to the RFC’s web page and are available [here](#). A more complete report will be added to the web page later next week.

In its August 2020 update, the RFC has revised General Fund (GF) revenue estimates downward by \$527.8 million for FY21 and by \$883.2 million for the FY22/23 biennium. The forecasted rate of year-over-year growth for General Fund revenue in FY21 is now -10.8%, followed by growth of 5.6% in FY22 and 3.4% for FY23. In addition, Highway Fund revenues are being reduced by \$30.8 million in FY21 and \$30.5 million in the FY22/23 biennium.

The CEFC forecast is always a key input for the RFC and that is certainly the case in the August revenue forecast. The CEFC convened on June 25, 2020 to review and revise its February 1, 2020 forecast. Maine saw strong employment numbers in the first three months of CY20 before seeing record-setting job loss beginning in April. The CEFC now projects that total nonfarm employment will decrease by 8.0% in CY20, with growth of 4.0% and 2.0% in CY21 and CY22, before leveling to 0.0% in CY23-25. The forecast anticipates employment will decline from around 636,000 in CY19 to a trough of around 585,000 in CY20, recovering to around 621,000 in CY22 before leveling off. This compares to a peak of 639,400 in the previous forecast.

Total personal income was revised down to an annual growth rate of 3.9% in CY20, 0.2 percentage points lower than the February 2020 forecast. The forecast for CY21 was revised down by 5.2 percentage points for an annual decline of -1.2%. The forecast is largely driven by a substantial increase in personal current transfer receipts in CY20 that will have expired by CY21. Changes to minor income lines resulted in upward revisions of 0.1 percentage points in CY24 and CY25.

In their report the CEFC emphasized that current conditions are unprecedented, highly uncertain, and include a large number of unknown variables. The economic forecast update represents the best the Commission could do with the information available at the end of June. Several key assumptions had to be made, encompassing both the public health situation (no subsequent outbreaks of COVID-19 in Maine requiring a lockdown) and economic conditions (further federal stimulus will follow later this year that includes support for state and local governments, the unemployed, and lower-income households), increasing the level of uncertainty associated with the forecast. Unpredictability, while always an element in the forecasting process, is front and center in the CEFC July forecast.

Almost 95% (-\$498.3 million) of -\$527.8 million reprojection in FY21 by the RFC is from sales and use and individual income taxes, and 100% of the FY22 and FY23 net reductions are attributable to these two revenue lines. In both cases, swift and unprecedented stimulus from the federal government and the Federal Reserve System has helped to moderate the initial impact on State revenues of the historic COVID-19 recession during the final quarter of FY20. While the CEFC assumes that Congress will provide an additional \$1 trillion of stimulus during CY20, the temporary nature of that stimulus and a weak recovery for the Maine economy leads to significant ongoing reductions in the State's two largest sources of GF revenue.

In the case of the sales and use tax line approximately 60% of the \$238 million reduction in FY21 is attributable to taxable prepared foods and lodging. Lodging sales are assumed to be down year-over-year by 50% during the third-quarter of CY20, the height of the summer tourism season. Lodging sales are assumed to improve slowly over the remainder of CY20 and are not expected to generate the same level of tax revenue as CY19 until CY22. Prepared food sales, mostly restaurant sales, are projected to perform better than lodging, but are assumed to be down approximately 30% year-over-year during the third-quarter of CY20. Like lodging, prepared food sales are assumed to slowly improve and not get back to the same level of tax revenue as CY19 until CY22. These key assumptions by the RFC about lodging and prepared food sales are consistent with the CEFC's employment forecast for the leisure and hospitality industry. The gradual improvement in both sales categories, representing 25% of total sales tax revenue in a typical year, is the primary reason for the lower decrease in sales tax revenue of \$152 million in FY22 and \$131.3 million in FY23. One bright note on sales tax is the additional tax revenue the State is collecting because of several recent law changes that require remote sellers to collect and remit sales tax on sales delivered into Maine.

75% of the adjustments to individual income tax revenue is primarily the result of the CEFC's assumption of combined wage and salary and unemployment insurance (UI) benefits growth over the forecast period. The CEFC forecast assumes that the initial enhanced UI benefits that were part of the CARES Act, and a continuation of those benefits at some reduced level in the next federal stimulus package will almost offset the reduction in wages and salaries during CY20. After CY20 the CEFC assumes that UI benefits will fall back to normal levels and growth as unemployment declines, but wage and salary growth will be weaker than their previous forecast. These assumptions result in a growing gap between the February and July CEFC forecast for the combined level of wage and salary and UI benefits, which has a significant impact on individual income tax liability. Other key factors impacting the individual income tax forecast are; (1) the reversal of the FY20 accruals for final and estimated payments in FY21, (2) a larger decrease in capital gains realizations than the March forecast, and (3) a reduction in IRA income in tax year 2020 due to federal tax law changes.

The COVID-19 pandemic has had an impact on our society not seen for 100 years, and an unprecedented impact on the global, U.S., and Maine economies. Public health officials are grappling with spread of the virus and are gaining an understanding of this deadly disease daily. Simultaneously, economists are trying to understand the ramifications of an almost complete shutdown of the world economy and a subsequent phased re-opening. Simply, there's no playbook for forecasting a modern economy during a worldwide

pandemic. The recent economic forecast and this revenue forecast represent the two-forecasting committee's best attempts at forecasting Maine's economy and State revenues over the current and next three calendar years. Both committees will meet jointly for our annual retreat in mid to late September to review both forecasts, discuss incoming economic and revenue data, and will no doubt share ideas on how the next forecasting exercise can be improved. On the heels of the retreat will be the November 1<sup>st</sup> report of the CEFC and the December 1<sup>st</sup> report of the RFC. Given the numerous uncertainties expressed by both committees, there's a high probability that significant changes, positive or negative, may take place in the next forecasting exercise.

cc:   Members, Revenue Forecasting Committee  
      Members, Consensus Economic Forecasting Commission  
      Jeremy Kennedy, Chief of Staff, Governor's Office  
      Kirsten Figueroa, Commissioner, DAFS  
      Clerk of the House  
      Secretary of the Senate  
      Grant T. Pennoyer, Executive Director, Legislative Council  
      Legislative Staff Office Directors



# **Report of the Maine State Revenue Forecasting Committee**

## **August 2020 Forecast**

### **TABLE OF CONTENTS**

<b>I. INTRODUCTION.....</b>	<b>1</b>
<b>II. ECONOMIC FORECAST.....</b>	<b>1</b>
<b>III. SUMMARY OF REVENUE FORECAST .....</b>	<b>2</b>
<b>General Fund Summary.....</b>	<b>2</b>
<b>Highway Fund Summary .....</b>	<b>4</b>
<b>Fund for a Healthy Maine Summary .....</b>	<b>4</b>
<b>Medicaid/MaineCare Dedicated Revenue Taxes Summary .....</b>	<b>5</b>
<b>IV. CONCLUSION .....</b>	<b>5</b>

### **APPENDICES**

- A. General Fund Summary Table**
- B. Highway Fund Summary Table**
- C. Fund for a Healthy Maine Summary Table**
- D. Medicaid/MaineCare Dedicated Revenue Taxes Summary Table**
- E. Consensus Economic Forecasting Commission Report**
- F. Maine Revenue Services Recommendations and other Background Materials**
- G. Other Background Materials**





## **Introduction**

The Revenue Forecasting Committee (RFC) met on July 29, 2020 to review and update the current revenue forecast, to assess the impact of the COVID-19 pandemic on State revenues and to incorporate the changes made by the Consensus Economic Forecasting Commission in its July 1, 2020 report. The RFC revised its revenue projections through the fiscal year ending June 30, 2023 for the General Fund, Highway Fund, Fund for a Healthy Maine and Medicaid/MaineCare Dedicated Revenue Taxes.

## **Economic Forecast**

Given the extraordinary circumstances and deterioration of economic conditions caused by the onset of COVID-19, the Maine Consensus Economic Forecasting Commission (CEFC) convened on June 25, 2020, for an off-cycle review and revision of its forecast through 2025, with a report released July 1, 2020. This update of the revenue forecast included a review of this updated economic forecast.

The CEFC emphasizes that current conditions are unprecedented, highly uncertain, and include a large number of unknown variables. This forecast update represents the best the Commission could do with the information available at this time. Several key assumptions had to be made, encompassing both the public health situation and economic conditions, increasing the level of uncertainty associated with this forecast. Unpredictability, while always an element in the forecasting process, is front and center at this time. The CEFC looks forward to revisiting its assumptions in October 2020 to reflect new developments in the local economy.

Maine saw strong employment numbers in the first three months of 2020 before seeing record-setting job loss beginning in April. Total nonfarm employment is projected to decrease by -8.0% in 2020, with recovery of 4.0% and 2.0% in 2021 and 2022, before leveling to 0.0% in 2023-2025. This forecast anticipates employment will decline from around 636,000 in 2019 to a trough of around 585,000 in 2020, recovering to around 621,000 in 2022 before leveling off. This compares to a peak of 639,400 in the previous forecast.

Total personal income was revised down to an annual growth rate of 3.9% in 2020, 0.2 percentage points lower than the February 2020 forecast. The forecast for 2021 was revised down by 5.2 percentage points for an annual decline of -1.2%. This forecast is largely driven by a substantial increase in personal current transfer receipts in 2020 that will have expired by 2021. Changes to minor income lines resulted in upward revisions of 0.1 percentage points in 2024 and 2025.

All components of personal income were significantly revised for 2020 and 2021, while the CEFC opted to leave later years unchanged in most cases until better information about long-term trends becomes available. Growth in wages and salaries, the largest component of personal income, was revised downward to -5.0% in 2020, a 9.1 percentage point reduction from February. The forecast for 2021 was revised down to 2.0% from 3.7% in February. Growth rates for 2022 through 2025 were also revised down to reflect 3.0% growth in each year. Supplements to wages and salaries were forecast at -1.5% in 2020 compared to 4.0% in the February forecast, with the remaining years left unchanged. Nonfarm proprietor's income is forecast to decline by -3.0% in 2020, with all other years again left unchanged. Dividends, interest, and rent was revised for 2020 and 2021 to 0.1% and -1.0%, down from 3.2% and 3.0% in the February 2020 forecast. 2022-2025 were left unchanged. Personal current transfer receipts for 2020 were revised up from 5.5% growth in the February forecast to 30.0% growth, while the forecast for 2021 was revised down to -8.0% from 5.5%. The remaining years were left unchanged.

The CEFC projects that the Consumer Price Index (CPI) will fall below the Federal Reserve Bank's 2.0% inflation goal until 2023, instead growing by 0.9%, 1.5%, and 1.7% in 2020, 2021, and 2022, respectively. Additionally, the forecast for corporate profits was revised down to -30.0% in 2020 from the previous forecast of 3.2%. Growth for 2021 was revised up to 10.0%, and 2022-2026 were left unchanged.

A copy of the July 1, 2020, report of the CEFC and other economic information providing the basis for this revenue forecast is included in Appendix E.

## Summary of Revenue Forecast

The economic variables in the CEFC forecast play a prominent role in the revenue forecast. Maine Revenue Services' Office of Tax Policy (MRS/OTP) tax models use the CEFC economic variables to help project revenue from the major taxes. Data related to non-tax revenue lines were provided by a number of different State agencies and reviewed by staff in the Office of Fiscal and Program Review and the Bureau of the Budget to come up with consensus recommendations. The RFC reviewed MRS/OTP and other staff recommendations at its meeting on July 29, 2020 and agreed to those recommendations. The following tables and narratives highlight the final changes to each of the major funds and revenue sources accepted by the RFC as part of its August 2020 update to the revenue forecast. More detail on each of the funds and revenue sources is provided in the various appendices.

### General Fund Summary

	FY20 Actual	FY21	FY22	FY23
Current Forecast	\$3,969,343,702	\$4,070,279,515	\$4,174,531,432	\$4,317,597,709
Annual % Growth	3.1%	2.5%	2.6%	3.4%
Net Increase (Decrease)		(\$527,809,542)	(\$433,731,150)	(\$449,465,768)
Revised Forecast	\$3,969,343,702	\$3,542,469,974	\$3,740,800,282	\$3,868,131,941
Annual % Growth	3.1%	-10.8%	5.6%	3.4%

**General Fund** revenue estimates are revised downward by \$527.8 million for FY21, by \$433.7 million for FY22 and by \$449.5 million for FY23. The resulting forecasted overall rate of decline for General Fund revenue for FY21 is -10.8% from FY20 final revenue amounts, followed by growth of 5.6% for FY22 and 3.4% for FY23.

Almost 95% (\$498.3 million) of the \$527.8 million reduction in FY21 by the RFC is from sales and use and individual income taxes, and 100% of the FY22 and FY23 net reductions are attributable to these two revenue lines. In both cases, swift and unprecedented stimulus from the federal government and the Federal Reserve System has helped to moderate the initial impact on State revenues of the historic COVID-19 recession during the final quarter of FY20. While the CEFC assumes that Congress will provide an additional \$1 trillion of stimulus during calendar year 2020, the temporary nature of that stimulus and a weak recovery for the Maine economy leads to significant ongoing reductions in the State's two largest sources of general fund revenue.

In the case of the sales and use tax line, approximately 60% of the \$238 million reduction in FY21 is attributable to taxable prepared foods and lodging. Lodging sales are assumed to be down year-over-year by 50% during the third-quarter of 2020, the height of the summer tourism season. Lodging sales are assumed to improve slowly over the remainder of 2020 and are not expected to generate the same level of tax revenue as 2019 until 2022. Prepared food sales, mostly restaurant sales, are projected to perform better

than lodging, but are assumed to be down approximately 30% year-over-year during the third-quarter of 2020. Like lodging, prepared food sales are assumed to slowly improve but not get back to the same level of tax revenue as 2019 until 2022. These key assumptions by the RFC about lodging and prepared food sales are consistent with the CEFC's employment forecast for the leisure and hospitality industry. The gradual improvement in both sales categories, representing 25% of total sales tax revenue in a typical year, is the primary reason for the lower decrease in sales tax revenue of \$152 million in FY22 and \$131.3 million in FY23. One bright note on sales tax is the additional tax revenue the State is collecting because of several recent law changes that require remote sellers to collect and remit sales tax on sales delivered into Maine.

The adjustments to individual income tax revenue are primarily the result of the CEFC's assumption of combined wage and salary and unemployment insurance (UI) benefits growth over the forecast period. The CEFC forecast assumes that the initial enhanced UI benefits that were part of the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, and a continuation of those benefits at some reduced level in the next federal stimulus package, will almost offset the reduction in wages and salaries during calendar year 2020. After 2020 the CEFC assumes that UI benefits will fall back to normal levels and growth as unemployment declines, but wage and salary growth will be weaker than their previous forecast. These assumptions result in a growing gap between the February and July CEFC forecast for the combined level of wage and salary and UI benefits, which has a significant impact on individual income tax liability. Other key factors affecting the individual income tax forecast are; (1) the reversal of the FY20 accruals for final and estimated payments in FY21, (2) a larger decrease in capital gains realizations than the March forecast, and (3) a reduction in IRA income in tax year 2020 due to federal tax law changes.

Other notable adjustments to General Fund revenue lines include:

- **Service Provider Tax.** The service provider tax was over budget in FY20 by \$1 million. The RFC assumes that million-dollar variance will continue in FY21, FY22 and FY23.
- **Estate Tax.** While the CEFC forecast of household net worth was more pessimistic than their February forecast, actual tax return data through June and a lower inflation forecast that reduced the projected annual Maine exemption level resulted in a minor positive adjustment in FY21 and increases in estate tax receipts of \$1.5 and \$1.8 million in FY22 and FY23, respectively.
- **Cigarette Tax and Other Tobacco Taxes.** The recent increase in the tax on other tobacco products and the addition of vaping products to that base has resulted in less revenue than previously estimated. The forecast change to this revenue line mostly reflects the lower revenue from that tax change.
- **Marijuana Sales and Excise taxes.** The forecast for marijuana excise taxes are reduced by \$1.65 million in FY21 because of the delayed start of the tax but remain the same as the previous forecast for FY22 and FY23. The forecast for the sales tax on adult use marijuana is reduced by \$2.3 million in FY21 because of the delayed start but is assumed to raise the same amount of revenue in FY22 and FY23 as the March revenue forecast.
- **Business Equipment and Tax Reimbursement ("BETR") program.** Payments to businesses are reduced to reflect actual reimbursements in FY20 that were below budget.
- **Business Equipment Tax Exemption ("BETE") program.** Payments to municipalities are reduced to reflect actual reimbursements in FY20 that were below budget.
- **Transfer from the Lottery Commission.** Transfers from the Lottery Commission to the General Fund are increased by \$3 million for each year of the forecast period to reflect a continuation of the increase in revenue in FY20 resulting from the shifting in the combination of games offered and played.

- **Income from Investments** – Income from investments are forecast to decline in all years of the forecast period primarily as a result of assumed decreases in fund balances.
- **Other Taxes and Fees – Real Estate Transfers Tax.** Real estate transfer taxes are reduced in each year of the forecast period because of downward revision by the CEFC in their forecast of homes sales and median home price.
- **Other Taxes and Fees - Milk Handling Fee/Transfer to Maine Milk Pool.** The forecast for revenue from the milk handling fee is adjusted upward by \$2.3 million for FY21 and by \$1.9 million per year for FY22 and FY23, reflecting steady milk production, increased demand and increased prices. The forecast for transfers to the milk pool is adjusted upward (negative impact on General Fund) by \$8.6 million for FY21, \$5.9 million for FY22 and \$5.6 million for FY23, reflecting the negative impact on milk producers from the current volatility in dairy markets as a result of the COVID-19 pandemic.
- **Other Taxes and Fees – Casino Revenue.** After being closed for the final quarter of FY20 as a result of the COVID-19 emergency, general fund revenue from the Oxford Casino and Hollywood Casino Bangor are forecast to decrease in FY21 by \$5.9 million reflecting limited operations under current re-opening plans. While operations are assumed to pick up over the next biennium, casino revenue is forecast to decrease from budgeted levels by \$4.0 million in FY22 and \$1.2 million in FY23.
- **Other Revenue – State Cost Allocation Program.** General fund revenue from the State's cost allocation program are forecast to increase by \$6.8 million in FY21, \$7.0 million in FY22 and \$7.1 million in FY23. These increases reflect assumptions regarding increases in underlying costs that are allocated to other funds.

### Highway Fund Summary

	FY20 Actual	FY21	FY22	FY23
Current Forecast	\$327,176,570	\$344,014,100	\$346,566,974	\$348,999,002
Annual % Growth	-5.6%	5.1%	0.7%	0.7%
Net Increase (Decrease)	\$0	(\$30,776,958)	(\$15,252,441)	(\$15,262,000)
Revised Forecast	\$327,176,570	\$313,237,142	\$331,314,533	\$333,737,002
Annual % Growth	-5.6%	-4.3%	5.8%	0.7%

**Highway Fund** revenue estimates are revised downward by \$30.8 million for FY21, by \$15.3 million for FY22 and by \$15.3 million for FY23. The downward adjustments in FY21 through FY 23 are largely the result of decreased gas tax revenue resulting from the COVID-19 pandemic's impact on the Maine economy. Gas tax revenue is forecast to decrease from budgeted levels by \$28.6 million in FY21, but then moderate somewhat, decreasing by \$12.3 million in FY22 and \$12.7 million in FY23. Special fuel taxes are also forecast to decrease from budgeted levels; by \$4.4 million in FY21, \$3.9 million in FY22 and \$3.6 million in FY23. Motor Vehicle Operator License Fees are forecast to decrease by \$0.7 million in FY21 and by \$0.5 million per year for FY 22 and FY23.

### Fund for a Healthy Maine Summary

	FY20 Actual	FY21	FY22	FY23
Current Forecast	\$49,543,354	\$39,594,439	\$39,587,533	\$44,288,952
Annual % Growth	-39.7%	-20.1%	0.0%	11.9%
Net Increase (Decrease)	\$0	\$4,032,665	\$2,681,291	(\$3,315,628)
Revised Forecast	\$49,543,354	\$43,627,104	\$42,268,823	\$40,973,323
Annual % Growth	-39.7%	-11.9%	-3.1%	-3.1%

**Fund for a Healthy Maine (FHM)** revenue estimates are revised upward by \$4.0 million for FY21 and by \$2.7 million for FY22 but downward by \$3.3 million for FY23. Most of the revisions reflect changes made to the forecast for Tobacco Settlement Payments based on the latest projections from the National Association of Attorneys General (NAAG). Adjustments were also made to reflect the decreases in FHM revenue from the Hollywood Casino Bangor and from income from investments consistent with the larger changes in the forecasts for these revenue sources.

### **Medicaid/MaineCare Dedicated Revenue Taxes Summary**

	<b>FY20 Actual</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
Current Forecast	\$214,138,364	\$215,621,936	\$215,621,936	\$215,621,936
Annual % Growth	12.7%	0.7%	0.0%	0.0%
Net Increase (Decrease)	\$0	(\$1,512,840)	(\$1,512,840)	(\$1,512,840)
Revised Forecast	\$214,138,364	\$214,109,096	\$214,109,096	\$214,109,096
Annual % Growth	12.7%	0.0%	0.0%	0.0%

**Medicaid/MaineCare Dedicated** revenue estimates are revised downward by \$1.5 million per year for FY21 through FY23. These negative adjustments are primarily the result of reductions to the forecast for hospital tax collections.

## **Conclusion**

The COVID-19 pandemic has had an impact on our society not seen for 100 years, and an unprecedented impact on the global, U.S., and Maine economies. Public health officials are grappling with the spread of the virus and are gaining an understanding of this deadly disease daily. Simultaneously, economists are trying to understand the ramifications of an almost complete shutdown of the world economy and a subsequent phased re-opening. Simply, there's no playbook for forecasting a modern economy during a worldwide pandemic. The recent economic forecast and this revenue forecast represent the two-forecasting committees' best attempts at forecasting Maine's economy and State revenues over the current and next three calendar years. Both committees will meet jointly for our annual retreat in mid to late September to review both forecasts, discuss incoming economic and revenue data, and will no doubt share ideas on how the next forecasting exercise can be improved. On the heels of the retreat will be the November 1<sup>st</sup> report of the CEFC and the December 1<sup>st</sup> report of the RFC. Given the numerous uncertainties expressed by both committees, there's a high probability that significant changes, positive or negative, may take place in the next forecasting exercise.





## **Appendix A**

# **General Fund Summary Table**





# GENERAL FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST

Source	FY15 Actual	FY16 Actual	% Chg.	FY17 Actual	% Chg.	FY18 Actual	% Chg.	FY19 Actual	% Chg.	FY19 Budget	FY19 Variance	% Var.
Sales and Use Tax	1,195,031,298	1,274,144,957	6.6%	1,336,944,791	4.9%	1,423,551,101	6.5%	1,503,771,784	5.6%	1,502,117,767	1,654,017	0.1%
Service Provider Tax	48,554,451	44,916,959	-7.5%	61,211,051	36.3%	59,601,858	-2.6%	59,012,956	-1.0%	59,222,124	(209,168)	-0.4%
Individual Income Tax	1,521,778,409	1,542,687,615	1.4%	1,523,852,981	-1.2%	1,595,191,847	4.7%	1,701,005,768	6.6%	1,705,158,151	(4,152,383)	-0.2%
Corporate Income Tax	168,965,820	137,492,442	-18.6%	175,239,114	27.5%	185,737,065	6.0%	252,866,884	36.1%	244,750,000	8,116,884	3.3%
Cigarette and Tobacco Tax	136,913,357	141,464,095	3.3%	144,243,207	2.0%	132,949,700	-7.8%	125,977,694	-5.2%	133,588,615	(7,610,921)	-5.7%
Insurance Companies Tax	81,459,794	81,250,784	-0.3%	76,553,592	-5.8%	73,468,185	-4.0%	77,277,183	5.2%	74,450,000	2,827,183	3.8%
Estate Tax	31,196,286	27,198,153	-12.8%	11,717,686	-56.9%	13,801,409	17.8%	15,851,350	14.9%	13,640,409	2,210,941	16.2%
Other Taxes and Fees *	139,437,659	143,422,744	2.9%	148,183,240	3.3%	145,822,739	-1.6%	150,110,769	2.9%	145,046,332	5,064,437	3.5%
Fines, Forfeits and Penalties	22,608,527	20,610,571	-8.8%	19,589,175	-5.0%	18,402,955	-6.1%	15,485,118	-15.9%	18,678,774	(3,193,656)	-17.1%
Income from Investments	602,838	1,483,723	146.1%	3,592,268	142.1%	6,601,717	83.8%	12,474,570	89.0%	11,027,054	1,447,516	13.1%
Transfer from Lottery Commission	54,002,444	56,972,851	5.5%	58,219,690	2.2%	62,307,123	7.0%	62,675,109	0.6%	59,000,000	3,675,109	6.2%
Transfers to Tax Relief Programs *	(59,532,694)	(64,744,050)	-8.8%	(63,961,530)	1.2%	(65,413,185)	-2.3%	(68,087,807)	-4.1%	(70,568,623)	2,480,817	3.5%
Transfers to Municipal Rev. Sharing	(63,600,996)	(67,355,586)	-5.9%	(65,228,793)	3.2%	(69,338,529)	-6.3%	(74,095,532)	-6.9%	(73,698,594)	(396,938)	-0.5%
Other Revenue *	51,909,354	26,645,874	-48.7%	24,747,389	-7.1%	4,991,864	-79.8%	14,185,246	184.2%	11,594,367	2,590,879	22.3%
<b>Total - General Fund Revenue</b>	<b>3,329,326,547</b>	<b>3,366,191,131</b>	<b>1.1%</b>	<b>3,454,903,862</b>	<b>2.6%</b>	<b>3,587,675,847</b>	<b>3.8%</b>	<b>3,848,511,092</b>	<b>7.3%</b>	<b>3,834,006,376</b>	<b>14,504,716</b>	<b>0.4%</b>

\* Additional detail provided on pages 4, 5 and 6

# GENERAL FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST

Source	FY20 Actual	% Chg.	FY20 Budget	FY20 Variance	% Var.	FY21 Budget	% Chg.	Recom. Chg.	FY21 Revised	% Chg.
Sales and Use Tax <sup>1</sup>	1,555,713,076	3.5%	1,617,545,344	(61,832,268)	-3.8%	1,695,071,678	9.0%	(238,000,000)	1,457,071,678	-6.3%
Service Provider Tax	58,012,511	-1.7%	57,024,000	988,511	1.7%	56,454,000	-2.7%	1,000,000	57,454,000	-1.0%
Individual Income Tax	1,835,972,805	7.9%	1,810,313,500	25,659,305	1.4%	1,848,571,250	0.7%	(260,300,000)	1,588,271,250	-13.5%
Corporate Income Tax	216,131,489	-14.5%	217,280,000	(1,148,512)	-0.5%	211,525,000	-2.1%	(34,670,000)	176,855,000	-18.2%
Cigarette and Tobacco Tax <sup>2</sup>	137,331,317	9.0%	141,621,642	(4,290,325)	-3.0%	149,277,906	8.7%	(4,826,506)	144,451,400	5.2%
Insurance Companies Tax	82,145,116	6.3%	75,950,000	6,195,116	8.2%	81,900,000	-0.3%	400,000	82,300,000	0.2%
Estate Tax	21,079,344	33.0%	20,450,000	629,344	3.1%	11,800,000	-44.0%	250,000	12,050,000	-42.8%
Other Taxes and Fees *	139,144,510	-7.3%	138,146,069	998,441	0.7%	139,962,981	0.6%	(5,678,267)	134,284,714	-3.5%
Fines, Forfeits and Penalties	9,986,146	-35.5%	12,319,191	(2,333,045)	-18.9%	12,425,166	24.4%	(1,171,467)	11,253,699	12.7%
Income from Investments	12,121,418	-2.8%	12,304,505	(183,087)	-1.5%	7,688,587	-36.6%	(3,863,811)	3,824,776	-68.4%
Transfer from Lottery Commission	64,589,742	3.1%	57,000,000	7,589,742	13.3%	57,000,000	-11.8%	3,000,000	60,000,000	-7.1%
Transfers to Tax Relief Programs *	(74,637,969)	-9.6%	(76,815,000)	2,177,031	2.8%	(77,667,000)	-4.1%	2,100,000	(75,567,000)	-1.2%
Transfers to Municipal Rev. Sharing	(113,613,360)	-53.3%	(111,887,992)	(1,725,368)	-1.5%	(144,363,359)	-27.1%	16,610,939	(127,752,420)	-12.4%
Other Revenue *	25,367,559	78.8%	26,855,866	(1,488,307)	-5.5%	20,633,306	-18.7%	(2,660,430)	17,972,876	-29.2%
<b>Total - General Fund Revenue</b>	<b>3,969,343,702</b>	<b>3.1%</b>	<b>3,998,107,125</b>	<b>(28,763,423)</b>	<b>-0.7%</b>	<b>4,070,279,515</b>	<b>2.5%</b>	<b>(527,809,542)</b>	<b>3,542,469,974</b>	<b>-10.8%</b>

\* Additional detail provided on pages 4, 5 and 6

1/ Includes estimated revenue from marijuana sales. This forecast assumes sales will begin later in FY21 and assumes gross sales tax revenue of \$6.1 million in FY21; \$11.8 million in FY22 and \$16.6 million in FY 23. These estimates are gross amounts before transfers to the Local Government Fund and the Adult Use Marijuana Public Health and Safety Fund. The transfers to the Adult Use Marijuana Public Health and Safety Fund from the sales tax are reflected in "Other Revenue" above and are estimated to be \$0.6 million in FY21; \$1.3 million in FY 22 and \$2.0 million in FY23.

2/ Includes estimated revenue from the marijuana excise tax. This marijuana excise tax forecast assumes sales will begin later in FY21 and assumes gross excise tax revenue of \$6.8 million in FY21; \$11.8 million in FY22 and \$16.6 million in FY 23. These estimates are gross amounts before transfers to the Adult Use Marijuana Public Health and Safety Fund. The transfers to the Adult Use Marijuana Public Health and Safety Fund from the excise tax are reflected in "Other Revenue" above and are estimated to be \$0.7 million in FY21; \$1.3 million in FY 22 and \$2.0 million in FY23.

## GENERAL FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST

Source	FY22 Budget	% Chg.	Recom. Chg.	FY22 Revised	% Chg.	FY23 Budget	% Chg.	Recom. Chg.	FY23 Revised	% Chg.
Sales and Use Tax <sup>1</sup>	1,772,435,422	4.6%	(151,893,000)	1,620,542,422	11.2%	1,843,205,237	4.0%	(131,282,000)	1,711,923,237	5.6%
Service Provider Tax	56,120,000	-0.6%	1,000,000	57,120,000	-0.6%	55,630,000	-0.9%	1,000,000	56,630,000	-0.9%
Individual Income Tax	1,926,210,000	4.2%	(283,300,000)	1,642,910,000	3.4%	2,006,554,375	4.2%	(317,500,000)	1,689,054,375	2.8%
Corporate Income Tax	211,728,737	0.1%	(27,820,000)	183,908,737	4.0%	214,948,199	1.5%	(23,560,000)	191,388,199	4.1%
Cigarette and Tobacco Tax <sup>2</sup>	150,052,570	0.5%	(3,135,799)	146,916,771	1.7%	152,243,910	1.5%	(3,089,174)	149,154,736	1.5%
Insurance Companies Tax	85,750,000	4.7%	400,000	86,150,000	4.7%	86,200,000	0.5%	400,000	86,600,000	0.5%
Estate Tax	12,750,000	8.1%	1,500,000	14,250,000	18.3%	13,650,000	7.1%	1,800,000	15,450,000	8.4%
Other Taxes and Fees *	141,684,999	1.2%	(3,233,899)	138,451,100	3.1%	142,926,154	0.9%	135,101	143,061,255	3.3%
Fines, Forfeits and Penalties	12,425,166	0.0%	24,000	12,449,166	10.6%	12,425,166	0.0%	24,000	12,449,166	0.0%
Income from Investments	7,337,557	-4.6%	(4,725,607)	2,611,950	-31.7%	7,337,557	0.0%	(6,706,839)	630,718	-75.9%
Transfer from Lottery Commission	57,000,000	0.0%	3,000,000	60,000,000	0.0%	57,000,000	0.0%	3,000,000	60,000,000	0.0%
Transfers to Tax Relief Programs *	(79,770,000)	-2.7%	2,600,000	(77,170,000)	-2.1%	(83,310,000)	-4.4%	2,600,000	(80,710,000)	-4.6%
Transfers to Municipal Rev. Sharing	(197,772,288)	-37.0%	23,100,650	(174,671,638)	-36.7%	(209,412,303)	-5.9%	23,567,100	(185,845,203)	-6.4%
Other Revenue *	18,579,269	-10.0%	8,752,505	27,331,774	52.1%	18,199,414	-2.0%	146,044	18,345,458	-32.9%
<b>Total - General Fund Revenue</b>	<b>4,174,531,432</b>	<b>2.6%</b>	<b>(433,731,150)</b>	<b>3,740,800,282</b>	<b>5.6%</b>	<b>4,317,597,709</b>	<b>3.4%</b>	<b>(449,465,768)</b>	<b>3,868,131,941</b>	<b>3.4%</b>
<b>Change in Biennial Totals</b>								<b>(883,196,919)</b>		

\* Additional detail provided on pages 4, 5 and 6

1/ Includes estimated revenue from marijuana sales. This forecast assumes sales will begin later in FY21 and assumes gross sales tax revenue of \$6.1 million in FY21; \$11.8 million in FY22 and \$16.6 million in FY 23. These estimates are gross amounts before transfers to the Local Government Fund and the Adult Use Marijuana Public Health and Safety Fund. The transfers to the Adult Use Marijuana Public Health and Safety Fund from the sales tax are reflected in "Other Revenue" above and are estimated to be \$0.6 million in FY21; \$1.3 million in FY 22 and \$2.0 million in FY23.

2/ Includes estimated revenue from the marijuana excise tax. This marijuana excise tax forecast assumes sales will begin later in FY21 and assumes gross excise tax revenue of \$6.8 million in FY21; \$11.8 million in FY22 and \$16.6 million in FY 23. These estimates are gross amounts before transfers to the Adult Use Marijuana Public Health and Safety Fund. The transfers to the Adult Use Marijuana Public Health and Safety Fund from the excise tax are reflected in "Other Revenue" above and are estimated to be \$0.7 million in FY21; \$1.3 million in FY 22 and \$2.0 million in FY23.

# GENERAL FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST

Source	FY15 Actual	FY16 Actual	% Chg.	FY17 Actual	% Chg.	FY18 Actual	% Chg.	FY19 Actual	% Chg.	FY19 Budget	FY19 Variance	% Var.
<b>Detail of Other Taxes and Fees:</b>												
- Property Tax - Unorganized Territory	12,452,432	12,778,868	2.6%	13,578,696	6.3%	14,188,381	4.5%	13,334,138	-6.0%	14,169,831	(835,693)	-5.9%
- Real Estate Transfer Tax	13,836,648	15,394,715	11.3%	17,059,116	10.8%	15,927,432	-6.6%	19,105,924	20.0%	17,767,433	1,338,491	7.5%
- Liquor Taxes and Fees	22,224,965	22,352,169	0.6%	23,249,843	4.0%	23,680,230	1.9%	23,931,346	1.1%	23,125,860	805,486	3.5%
- Corporation Fees & Licenses	9,790,511	10,052,935	2.7%	10,540,087	4.8%	11,094,542	5.3%	10,759,676	-3.0%	10,113,649	646,027	6.4%
- Telecommunications Excise Tax	7,591,072	6,403,740	-15.6%	6,248,478	-2.4%	6,221,980	-0.4%	6,317,492	1.5%	6,000,000	317,492	5.3%
- Finance Industry Fees	28,816,550	29,463,631	2.2%	30,019,796	1.9%	29,201,565	-2.7%	29,082,500	-0.4%	27,946,990	1,135,510	4.1%
- Milk Handling Fee	2,206,701	5,132,699	132.6%	4,613,496	-10.1%	4,916,070	6.6%	4,848,648	-1.4%	4,917,862	(69,214)	-1.4%
- Casino and Racino Revenue	8,642,121	8,753,125	1.3%	8,624,011	-1.5%	8,367,971	-3.0%	8,468,389	1.2%	8,383,360	85,029	1.0%
- Boat, ATV and Snowmobile Fees	4,569,660	4,291,061	-6.1%	4,712,468	9.8%	4,482,839	-4.9%	4,700,071	4.8%	4,523,561	176,510	3.9%
- Hunting and Fishing License Fees	16,490,686	16,432,790	-0.4%	16,268,782	-1.0%	16,164,837	-0.6%	16,282,770	0.7%	15,999,151	283,619	1.8%
- Other Miscellaneous Taxes and Fees	12,816,312	12,367,010	-3.5%	13,268,468	7.3%	11,576,892	-12.7%	13,279,816	14.7%	12,098,635	1,181,181	9.8%
Subtotal - Other Taxes and Fees	139,437,659	143,422,744	2.9%	148,183,240	3.3%	145,822,739	-1.6%	150,110,769	2.9%	145,046,332	5,064,437	3.5%
<b>Detail of Other Revenue:</b>												
- Liquor Sales and Operations	13,550,394	9,682,240	-28.5%	9,860,579	1.8%	50,272	-99.5%	56,150	11.7%	28,500	27,650	97.0%
- Targeted Case Management (HHS)	2,532,874	2,246,910	-11.3%	1,820,831	-19.0%	607,782	-66.6%	246,356	-59.5%	600,000	(353,644)	-58.9%
- State Cost Allocation Program	22,477,739	18,161,858	-19.2%	19,459,021	7.1%	17,229,423	-11.5%	18,291,345	6.2%	18,215,828	75,517	0.4%
- Unclaimed Property Transfer	9,615,011	9,660,866	0.5%	5,767,234	-40.3%	6,565,469	13.8%	9,592,815	46.1%	9,500,000	92,815	1.0%
- Tourism Transfer	(11,624,127)	(13,112,062)	-12.8%	(14,590,665)	-11.3%	(16,076,758)	-10.2%	(17,171,837)	-6.8%	(18,109,058)	937,221	5.2%
- Transfer to Maine Milk Pool	(3,931,815)	(17,025,855)	-333.0%	(15,233,744)	10.5%	(15,857,558)	-4.1%	(15,220,840)	4.0%	(15,148,418)	(72,422)	-0.5%
- Transfer to Multimodal Transportation I	(7,066,534)	(7,308,989)	-3.4%	(7,908,006)	-8.2%	(8,899,944)	-12.5%	(9,439,886)	-6.1%	(9,440,000)	114	0.0%
- Other Miscellaneous Revenue	26,355,813	24,340,906	-7.6%	25,572,140	5.1%	21,373,178	-16.4%	27,831,142	30.2%	25,947,515	1,883,627	7.3%
Subtotal - Other Revenue	51,909,354	26,645,874	-48.7%	24,747,389	-7.1%	4,991,864	-79.8%	14,185,246	184.2%	11,594,367	2,590,879	22.3%
<b>Detail of Transfers to Tax Relief Programs:</b>												
- Maine Resident Property Tax Program	14,964	82,425	450.8%	(60,303)	-173.2%	35,130	158.3%	(12,497)	-135.6%	0	(12,497)	N/A
- BETR - Business Equip. Tax Reimb.	(33,378,597)	(35,078,530)	-5.1%	(31,511,125)	10.2%	(29,863,832)	5.2%	(24,913,358)	16.6%	(27,600,000)	2,686,642	9.7%
- BETE - Municipal Bus. Equip. Tax Reir	(26,169,061)	(29,747,945)	-13.7%	(32,390,102)	-8.9%	(35,584,483)	-9.9%	(43,161,952)	-21.3%	(42,968,623)	(193,329)	-0.4%
Subtotal - Tax Relief Transfers	(59,532,694)	(64,744,050)	-8.8%	(63,961,530)	1.2%	(65,413,185)	-2.3%	(68,087,807)	-4.1%	(70,568,623)	2,480,817	3.5%
IF&W Total Revenue **	22,125,659	21,685,246	-2.0%	22,015,827	1.5%	21,596,400	-1.9%	21,933,023	1.6%	21,515,657	417,366	1.9%

\*\* IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.

## GENERAL FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST

Source	FY20 Actual	% Chg.	FY20 Budget	FY20 Variance	% Var.	FY21 Budget	% Chg.	Recom. Chg.	FY21 Revised	% Chg.
<b>Detail of Other Taxes and Fees:</b>										
- Property Tax - Unorganized Territory	12,547,461	-5.9%	14,613,169	(2,065,708)	-14.1%	14,713,169	17.3%	0	14,713,169	17.3%
- Real Estate Transfer Tax	16,501,776	-13.6%	13,921,803	2,579,973	18.5%	17,122,964	3.8%	(1,600,000)	15,522,964	-5.9%
- Liquor Taxes and Fees	20,854,729	-12.9%	22,093,824	(1,239,095)	-5.6%	22,093,824	5.9%	0	22,093,824	5.9%
- Corporation Fees & Licenses	11,777,263	9.5%	10,938,649	838,614	7.7%	9,938,649	-15.6%	0	9,938,649	-15.6%
- Telecommunications Excise Tax	6,418,268	1.6%	6,000,000	418,268	7.0%	5,715,000	-11.0%	0	5,715,000	-11.0%
- Finance Industry Fees	27,952,210	-3.9%	28,008,450	(56,240)	-0.2%	27,931,990	-0.1%	(15,000)	27,916,990	-0.1%
- Milk Handling Fee	1,676,018	-65.4%	1,232,021	443,997	36.0%	971,952	-42.0%	2,288,504	3,260,456	94.5%
- Casino and Racino Revenue	6,542,913	-22.7%	8,837,275	(2,294,362)	-26.0%	8,968,321	37.1%	(5,912,595)	3,055,726	-53.3%
- Boat, ATV and Snowmobile Fees	4,970,419	5.8%	4,523,561	446,858	9.9%	4,523,561	-9.0%	0	4,523,561	-9.0%
- Hunting and Fishing License Fees	16,514,289	1.4%	15,990,794	523,495	3.3%	15,986,716	-3.2%	0	15,986,716	-3.2%
- Other Miscellaneous Taxes and Fees	13,389,164	0.8%	11,986,523	1,402,641	11.7%	11,996,835	-10.4%	(439,176)	11,557,659	-13.7%
Subtotal - Other Taxes and Fees	139,144,510	-7.3%	138,146,069	998,441	0.7%	139,962,981	0.6%	(5,678,267)	134,284,714	-3.5%
<b>Detail of Other Revenue:</b>										
- Liquor Sales and Operations	55,400	-1.3%	28,500	26,900	94.4%	28,500	-48.6%	0	28,500	-48.6%
- Targeted Case Management (HHS)	80,953	-67.1%	158,160	(77,207)	-48.8%	158,160	95.4%	0	158,160	95.4%
- State Cost Allocation Program	24,911,989	36.2%	23,109,989	1,802,000	7.8%	18,577,146	-25.4%	6,833,083	25,410,229	2.0%
- Unclaimed Property Transfer	10,830,298	12.9%	6,186,442	4,643,856	75.1%	6,200,000	-42.8%	0	6,200,000	-42.8%
- Tourism Transfer	(18,150,386)	-5.7%	(18,238,610)	88,224	0.5%	(18,767,170)	-3.4%	1,690,825	(17,076,345)	5.9%
- Transfer to Maine Milk Pool	(9,921,284)	34.8%	(4,663,695)	(5,257,589)	-112.7%	(1,933,851)	80.5%	(8,602,878)	(10,536,729)	-6.2%
- Transfer to Multimodal Transportation Fund	(11,138,493)	-18.0%	(9,530,000)	(1,608,493)	-16.9%	(9,440,000)	15.2%	(471,067)	(9,911,067)	11.0%
- Other Miscellaneous Revenue	28,699,082	3.1%	29,805,080	(1,105,998)	-3.7%	25,810,521	-10.1%	(2,110,393)	23,700,128	-17.4%
Subtotal - Other Revenue	25,367,559	78.8%	26,855,866	(1,488,307)	-5.5%	20,633,306	-18.7%	(2,660,430)	17,972,876	-29.2%
<b>Detail of Transfers to Tax Relief Programs:</b>										
- Maine Resident Property Tax Program	47,546	480.5%	0	47,546	N/A	0	-100.0%	0	0	-100.0%
- BETR - Business Equip. Tax Reimb.	(25,490,793)	-2.3%	(27,060,000)	1,569,207	5.8%	(23,100,000)	9.4%	1,600,000	(21,500,000)	15.7%
- BETE - Municipal Bus. Equip. Tax Reimb.	(49,194,722)	-14.0%	(49,755,000)	560,278	1.1%	(54,567,000)	-10.9%	500,000	(54,067,000)	-9.9%
Subtotal - Tax Relief Transfers	(74,637,969)	-9.6%	(76,815,000)	2,177,031	2.8%	(77,667,000)	-4.1%	2,100,000	(75,567,000)	-1.2%
IF&W Total Revenue **	22,314,353	1.7%	21,486,646	827,707	3.9%	21,485,862	-3.7%	(38,049)	21,447,813	-3.9%

\*\* IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.

## GENERAL FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST

Source	FY22 Budget	% Chg.	Recom. Chg.	FY22 Revised	% Chg.	FY23 Budget	% Chg.	Recom. Chg.	FY23 Revised	% Chg.
<b>Detail of Other Taxes and Fees:</b>										
- Property Tax - Unorganized Territory	14,813,169	0.7%	0	14,813,169	0.7%	14,813,169	0.0%	0	14,813,169	0.0%
- Real Estate Transfer Tax	18,425,830	7.6%	(1,125,000)	17,300,830	11.5%	19,822,522	7.6%	(525,000)	19,297,522	11.5%
- Liquor Taxes and Fees	22,093,824	0.0%	0	22,093,824	0.0%	22,093,824	0.0%	0	22,093,824	0.0%
- Corporation Fees & Licenses	9,938,649	0.0%	0	9,938,649	0.0%	9,938,649	0.0%	0	9,938,649	0.0%
- Telecommunications Excise Tax	5,450,000	-4.6%	0	5,450,000	-4.6%	5,200,000	-4.6%	0	5,200,000	-4.6%
- Finance Industry Fees	27,931,990	0.0%	(15,000)	27,916,990	0.0%	27,931,990	0.0%	(15,000)	27,916,990	0.0%
- Milk Handling Fee	971,952	0.0%	1,890,888	2,862,840	-12.2%	971,952	0.0%	1,890,888	2,862,840	0.0%
- Casino and Racino Revenue	9,059,004	1.0%	(3,962,124)	5,096,880	66.8%	9,150,593	1.0%	(1,192,699)	7,957,894	56.1%
- Boat, ATV and Snowmobile Fees	4,523,561	0.0%	0	4,523,561	0.0%	4,523,561	0.0%	0	4,523,561	0.0%
- Hunting and Fishing License Fees	15,986,716	0.0%	0	15,986,716	0.0%	15,986,716	0.0%	0	15,986,716	0.0%
- Other Miscellaneous Taxes and Fees	12,490,304	4.1%	(22,663)	12,467,641	7.9%	12,493,178	0.0%	(23,088)	12,470,090	0.0%
Subtotal - Other Taxes and Fees	141,684,999	1.2%	(3,233,899)	138,451,100	3.1%	142,926,154	0.9%	135,101	143,061,255	3.3%
<b>Detail of Other Revenue:</b>										
- Liquor Sales and Operations	28,500	0.0%	0	28,500	0.0%	28,500	0.0%	0	28,500	0.0%
- Targeted Case Management (HHS)	158,160	0.0%	0	158,160	0.0%	158,160	0.0%	0	158,160	0.0%
- State Cost Allocation Program	18,948,749	2.0%	6,969,685	25,918,434	2.0%	19,327,785	2.0%	7,109,018	26,436,803	2.0%
- Unclaimed Property Transfer	6,200,000	0.0%	0	6,200,000	0.0%	6,200,000	0.0%	0	6,200,000	0.0%
- Tourism Transfer	(18,660,000)	0.6%	5,801,000	(12,859,000)	24.7%	(19,120,000)	-2.5%	1,962,000	(17,158,000)	-33.4%
- Transfer to Maine Milk Pool	(3,929,871)	-103.2%	(5,858,292)	(9,788,163)	7.1%	(4,032,962)	-2.6%	(5,591,074)	(9,624,036)	1.7%
- Transfer to Multimodal Transportation Fund	(9,920,000)	-5.1%	3,473,000	(6,447,000)	35.0%	(10,120,000)	-2.0%	(335,000)	(10,455,000)	-62.2%
- Other Miscellaneous Revenue	25,753,731	-0.2%	(1,632,888)	24,120,843	1.8%	25,757,931	0.0%	(2,998,900)	22,759,031	-5.6%
Subtotal - Other Revenue	18,579,269	-10.0%	8,752,505	27,331,774	52.1%	18,199,414	-2.0%	146,044	18,345,458	-32.9%
<b>Detail of Transfers to Tax Relief Programs:</b>										
- Maine Resident Property Tax Program	0	N/A	0	0	N/A	0	N/A	0	0	N/A
- BETR - Business Equip. Tax Reimb.	(21,720,000)	6.0%	1,600,000	(20,120,000)	6.4%	(20,410,000)	6.0%	1,600,000	(18,810,000)	6.5%
- BETE - Municipal Bus. Equip. Tax Reimb.	(58,050,000)	-6.4%	1,000,000	(57,050,000)	-5.5%	(62,900,000)	-8.4%	1,000,000	(61,900,000)	-8.5%
Subtotal - Tax Relief Transfers	(79,770,000)	-2.7%	2,600,000	(77,170,000)	-2.1%	(83,310,000)	-4.4%	2,600,000	(80,710,000)	-4.6%
IF&W Total Revenue **	21,488,706	0.0%	(16,663)	21,472,043	0.1%	21,491,580	0.0%	(17,088)	21,474,492	0.0%

\*\* IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.



## **Appendix B**

# **Highway Fund Summary Table**





## HIGHWAY FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST

Source	FY15 Actual	FY16 Actual	% Chg.	FY17 Actual	% Chg.	FY18 Actual	% Chg.	FY19 Actual	% Chg.	FY19 Budget	FY19 Variance	% Var
Fuel Taxes												
- Gasoline Tax	\$196,393,071	\$198,030,576	0.8%	\$201,581,952	1.8%	206,410,302	2.4%	205,925,094	-0.2%	206,474,404	(549,310)	-0.3%
- Special Fuel and Road Use Taxes	\$46,608,086	\$46,070,971	-1.2%	\$50,364,054	9.3%	43,150,896	-14.3%	49,588,218	14.9%	50,309,400	(721,182)	-1.4%
- Transcap Transfers - Fuel Taxes	(\$17,873,296)	(\$17,967,176)	-0.5%	(\$18,589,483)	-3.5%	(18,398,369)	1.0%	(18,777,306)	-2.1%	(18,871,537)	94,231	0.5%
- Other Fund Gasoline Tax Distributions	(\$4,910,656)	(\$4,961,004)	-1.0%	(\$5,065,081)	-2.1%	(5,166,427)	-2.0%	(5,149,578)	0.3%	(5,163,305)	13,727	0.3%
Subtotal - Fuel Taxes	\$220,217,205	\$221,173,367	0.4%	\$228,291,442	3.2%	225,996,401	-1.0%	231,586,428	2.5%	232,748,962	(1,162,534)	-0.5%
Motor Vehicle Registration and Fees												
- Motor Vehicle Registration Fees	\$67,581,522	\$68,540,478	1.4%	\$68,345,517	-0.3%	68,660,358	0.5%	69,615,829	1.4%	68,375,787	1,240,042	1.8%
- License Plate Fees	\$3,614,320	\$3,674,537	1.7%	\$3,709,500	1.0%	3,747,816	1.0%	3,861,249	3.0%	3,612,343	248,906	6.9%
- Long-term Trailer Registration Fees	\$11,592,185	\$11,571,388	-0.2%	\$11,768,669	1.7%	13,279,792	12.8%	15,134,872	14.0%	13,884,523	1,250,349	9.0%
- Title Fees	\$13,158,253	\$13,964,505	6.1%	\$14,298,502	2.4%	14,526,092	1.6%	15,181,423	4.5%	14,413,654	767,769	5.3%
- Motor Vehicle Operator License Fees	\$7,417,137	\$8,703,579	17.3%	\$8,956,575	2.9%	8,752,147	-2.3%	9,521,698	8.8%	9,344,186	177,512	1.9%
- Transcap Transfers - Motor Vehicle Fees	(\$15,658,915)	(\$15,956,815)	-1.9%	(\$16,101,245)	-0.9%	(16,191,340)	-0.6%	(16,384,440)	-1.2%	(15,917,804)	(466,636)	-2.9%
Subtotal - Motor Vehicle Reg. & Fees	\$87,704,502	\$90,497,672	3.2%	\$90,977,518	0.5%	92,774,864	2.0%	96,930,631	4.5%	93,712,689	3,217,942	3.4%
Motor Vehicle Inspection Fees	\$3,295,017	\$3,515,288	6.7%	\$3,410,700	-3.0%	3,373,100	-1.1%	3,324,510	-1.4%	3,202,500	122,010	3.8%
Other Highway Fund Taxes and Fees	\$1,314,494	\$1,660,665	26.3%	\$1,378,535	-17.0%	1,490,993	8.2%	1,508,539	1.2%	1,280,229	228,310	17.8%
Fines, Forfeits and Penalties	\$854,813	\$791,496	-7.4%	\$719,555	-9.1%	724,478	0.7%	610,373	-15.7%	739,039	(128,666)	-17.4%
Income from Investments	\$159,116	\$255,421	60.5%	\$348,432	36.4%	326,847	-6.2%	893,027	173.2%	653,735	239,292	36.6%
Other Highway Fund Revenues	\$9,949,439	\$9,553,791	-4.0%	\$9,191,942	-3.8%	10,943,111	19.1%	11,640,306	6.4%	11,130,832	509,474	4.6%
<b>Total - Highway Fund Revenue</b>	<b>\$323,494,586</b>	<b>\$327,447,700</b>	<b>1.2%</b>	<b>\$334,318,123</b>	<b>2.1%</b>	<b>335,629,795</b>	<b>0.4%</b>	<b>346,493,814</b>	<b>3.2%</b>	<b>343,467,986</b>	<b>3,025,828</b>	<b>0.9%</b>

## HIGHWAY FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST

Source	FY20 Actual	% Chg.	FY20 Budget	FY20 Variance	% Var	FY21 Budget	% Chg.	Recom. Chg.	FY21 Revised	% Chg.
Fuel Taxes										
- Gasoline Tax	194,181,501	-5.7%	208,539,148	(14,357,647)	-6.9%	210,624,539	8.5%	(28,644,539)	181,980,000	-6.3%
- Special Fuel and Road Use Taxes	47,413,587	-4.4%	50,812,494	(3,398,907)	-6.7%	51,320,619	8.2%	(4,395,619)	46,925,000	-1.0%
- Transcap Transfers - Fuel Taxes	(17,774,919)	5.3%	(19,060,252)	1,285,333	6.7%	(19,250,854)	-8.3%	2,428,096	(16,822,758)	5.4%
- Other Fund Gasoline Tax Distributions	(4,849,535)	5.8%	(5,214,940)	365,405	7.0%	(5,267,088)	-8.6%	704,593	(4,562,495)	5.9%
Subtotal - Fuel Taxes	218,970,635	-5.4%	235,076,450	(16,105,815)	-6.9%	237,427,216	8.4%	(29,907,469)	207,519,747	-5.2%
Motor Vehicle Registration and Fees										
- Motor Vehicle Registration Fees	64,969,278	-6.7%	69,164,015	(4,194,737)	-6.1%	69,172,703	6.5%	0	69,172,703	6.5%
- License Plate Fees	3,829,530	-0.8%	3,618,983	210,547	5.8%	3,642,643	-4.9%	0	3,642,643	-4.9%
- Long-term Trailer Registration Fees	14,186,866	-6.3%	11,884,523	2,302,343	19.4%	10,884,523	-23.3%	0	10,884,523	-23.3%
- Title Fees	14,523,225	-4.3%	14,325,795	197,430	1.4%	14,325,795	-1.4%	0	14,325,795	-1.4%
- Motor Vehicle Operator License Fees	8,646,784	-9.2%	10,066,651	(1,419,867)	-14.1%	10,007,411	15.7%	(700,000)	9,307,411	7.6%
- Transcap Transfers - Motor Vehicle Fees	(15,507,585)	5.4%	(16,518,054)	1,010,469	6.1%	(16,518,054)	-6.5%	0	(16,518,054)	-6.5%
Subtotal - Motor Vehicle Reg. & Fees	90,648,098	-6.5%	92,541,913	(1,893,815)	-2.0%	91,515,021	1.0%	(700,000)	90,815,021	0.2%
Motor Vehicle Inspection Fees	3,120,970	-6.1%	3,202,500	(81,531)	-2.5%	3,202,500	2.6%	0	3,202,500	2.6%
Other Highway Fund Taxes and Fees	1,280,909	-15.1%	1,368,729	(87,820)	-6.4%	1,377,454	7.5%	0	1,377,454	7.5%
Fines, Forfeits and Penalties	899,735	47.4%	606,412	293,323	48.4%	606,412	-32.6%	(88,545)	517,867	-42.4%
Income from Investments	257,790	-71.1%	313,070	(55,280)	-17.7%	201,814	-21.7%	(138,420)	63,394	-75.4%
Other Highway Fund Revenues	11,998,433	3.1%	12,222,250	(223,817)	-1.8%	9,683,683	-19.3%	57,476	9,741,159	-18.8%
<b>Total - Highway Fund Revenue</b>	<b>327,176,570</b>	<b>-5.6%</b>	<b>345,331,324</b>	<b>(18,154,754)</b>	<b>-5.3%</b>	<b>344,014,100</b>	<b>5.1%</b>	<b>(30,776,958)</b>	<b>313,237,142</b>	<b>-4.3%</b>

## HIGHWAY FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST

Source	FY22 Budget	% Chg.	Recom. Chg.	FY22 Revised	% Chg.	FY23 Budget	% Chg.	Recom. Chg.	FY23 Revised	% Chg.
Fuel Taxes										
- Gasoline Tax	212,730,785	1.0%	(12,339,785)	200,391,000	10.1%	214,858,093	1.0%	(12,653,093)	202,205,000	0.9%
- Special Fuel and Road Use Taxes	51,833,826	1.0%	(3,894,325)	47,939,501	2.2%	52,352,165	1.0%	(3,560,070)	48,792,095	1.8%
- Transcap Transfers - Fuel Taxes	(19,443,363)	-1.0%	1,194,413	(18,248,950)	-8.5%	(19,637,798)	-1.0%	1,192,257	(18,445,541)	-1.1%
- Other Fund Gasoline Tax Distributions	(5,319,759)	-1.0%	308,582	(5,011,177)	-9.8%	(5,372,956)	-1.0%	316,416	(5,056,540)	-0.9%
Subtotal - Fuel Taxes	239,801,489	1.0%	(14,731,115)	225,070,374	8.5%	242,199,504	1.0%	(14,704,490)	227,495,014	1.1%
Motor Vehicle Registration and Fees										
- Motor Vehicle Registration Fees	69,162,203	0.0%	0	69,162,203	0.0%	69,162,203	0.0%	0	69,162,203	0.0%
- License Plate Fees	3,642,643	0.0%	0	3,642,643	0.0%	3,642,643	0.0%	0	3,642,643	0.0%
- Long-term Trailer Registration Fees	10,884,523	0.0%	0	10,884,523	0.0%	10,884,523	0.0%	0	10,884,523	0.0%
- Title Fees	14,325,795	0.0%	0	14,325,795	0.0%	14,325,795	0.0%	0	14,325,795	0.0%
- Motor Vehicle Operator License Fees	10,198,036	1.9%	(500,000)	9,698,036	4.2%	10,198,036	0.0%	(500,000)	9,698,036	0.0%
- Transcap Transfers - Motor Vehicle Fees	(16,518,054)	0.0%	0	(16,518,054)	0.0%	(16,518,054)	0.0%	0	(16,518,054)	0.0%
Subtotal - Motor Vehicle Reg. & Fees	91,695,146	0.2%	(500,000)	91,195,146	0.4%	91,695,146	0.0%	(500,000)	91,195,146	0.0%
Motor Vehicle Inspection Fees	3,202,500	0.0%	0	3,202,500	0.0%	3,202,500	0.0%	0	3,202,500	0.0%
Other Highway Fund Taxes and Fees	1,377,454	0.0%	0	1,377,454	0.0%	1,377,454	0.0%	0	1,377,454	0.0%
Fines, Forfeits and Penalties	606,412	0.0%	0	606,412	17.1%	606,412	0.0%	0	606,412	0.0%
Income from Investments	192,600	-4.6%	(137,942)	54,658	-13.8%	192,600	0.0%	(175,257)	17,343	-68.3%
Other Highway Fund Revenues	9,691,373	0.1%	116,616	9,807,989	0.7%	9,725,386	0.4%	117,747	9,843,133	0.4%
<b>Total - Highway Fund Revenue</b>	<b>346,566,974</b>	<b>0.7%</b>	<b>(15,252,441)</b>	<b>331,314,533</b>	<b>5.8%</b>	<b>348,999,002</b>	<b>0.7%</b>	<b>(15,262,000)</b>	<b>333,737,002</b>	<b>0.7%</b>
<b>Change in Biennial Totals</b>								<b>(30,514,441)</b>		





## **Appendix C**

# **Fund for a Healthy Maine Summary** **Table**



**FUND FOR A HEALTHY MAINE (FHM) REVENUE  
(TOBACCO SETTLEMENT PAYMENTS)  
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST**

Source	FY15 Actual	FY16 Actual	% Chg.	FY17 Actual	% Chg.	FY18 Actual	% Chg.	FY19 Actual	% Chg.	FY19 Budget	FY 19 Variance	% Var.
Tobacco Settlement Payments:												
- Base Payments	40,779,184	42,935,641	5.3%	42,587,291	-0.8%	46,658,590	9.6%	45,465,742	-2.6%	45,465,772	(30)	0.0%
- One-time DPA Settlements *	0	0		0	0.0%	21,242,331		32,488,828	52.9%	32,488,828	(0)	0.0%
- Strategic Contribution Payments **	8,696,498	8,853,954	1.8%	8,794,086	-0.7%	0	-100.0%	0	N/A	0	0	N/A
Subtotal TSPs	49,475,682	51,789,595	4.7%	51,381,377	-0.8%	67,900,922	32.2%	77,954,570	14.8%	77,954,600	(30)	0.0%
Casino Revenue ***	4,107,614	4,042,819	-1.6%	3,797,297	-6.1%	3,680,035	-3.1%	3,640,004	-1.09%	3,638,872	1,132	0.0%
Income from Investments	8,956	27,056	202.1%	49,454	82.8%	146,419	196.1%	583,469	298.5%	489,259	94,210	19.3%
<b>Total - FHM Revenue</b>	<b>53,592,252</b>	<b>55,859,469</b>	<b>4.2%</b>	<b>55,228,128</b>	<b>-1.1%</b>	<b>71,727,375</b>	<b>29.9%</b>	<b>82,178,042</b>	<b>14.6%</b>	<b>82,082,731</b>	<b>95,311</b>	<b>0.1%</b>

\* FY 18 and 19 include a "one-time" settlement payment from tobacco manufacturers to settle the NPM Adjustment dispute for the years 2004 through 2017.

\*\* Beginning in FY 18, the ten-year strategic contribution payment ended with the funding nationally for this purpose returned to the regular distribution pool.

\*\*\* Casino Revenue reflects that portion of the State's share of proceeds from slot machines at the Hollywood Casino in Bangor designated for the Fund for a Healthy Maine.



## FUND FOR A HEALTHY MAINE (FHM) REVENUE (TOBACCO SETTLEMENT PAYMENTS)

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST

Source	FY20 Actual	% Chg.	FY20 Budget	FY 20 Variance	% Var.	FY21 Budget	% Chg.	Recom. Chg.	FY21 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	46,272,664	1.8%	44,603,585	1,669,079	3.7%	35,449,847	-23.4%	6,330,722	41,780,569	-9.7%
- One-time DPA Settlements *	0	-100.0%	0	0	N/A	0	N/A	0	0	N/A
- Strategic Contribution Payments **	0	N/A	0	0	N/A	0	N/A	0	0	N/A
Subtotal TSPs	46,272,664	-40.6%	44,603,585	1,669,079	3.7%	35,449,847	-23.4%	6,330,722	41,780,569	-9.7%
Casino Revenue ***	2,773,875	-23.79%	3,785,455	(1,011,580)	-26.7%	3,918,820	41.3%	(2,234,064)	1,684,756	-39.3%
Income from Investments	496,816	-14.9%	554,711	(57,895)	-10.4%	225,772	-54.6%	(63,993)	161,779	-67.4%
<b>Total - FHM Revenue</b>	<b>49,543,354</b>	<b>-39.7%</b>	<b>48,943,751</b>	<b>599,603</b>	<b>1.2%</b>	<b>39,594,439</b>	<b>-20.1%</b>	<b>4,032,665</b>	<b>43,627,104</b>	<b>-11.9%</b>

\* FY 18 and 19 include a “one-time” settlement payment from tobacco manufacturers to settle the NPM Adjustment dispute for the years 2004 through 2017.

\*\* Beginning in FY 18, the ten-year strategic contribution payment ended with the funding nationally for this purpose returned to the regular distribution pool.

\*\*\* Casino Revenue reflects that portion of the State's share of proceeds from slot machines at the Hollywood Casino in Bangor designated for the Fund for a Healthy Maine.

**FUND FOR A HEALTHY MAINE (FHM) REVENUE  
(TOBACCO SETTLEMENT PAYMENTS)  
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST**

Source	FY22 Budget	% Chg.	Recom. Chg.	FY22 Revised	% Chg.	FY23 Budget	% Chg.	Recom. Chg.	FY23 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	35,414,061	-0.1%	3,911,073	39,325,133	-5.9%	40,075,900	13.2%	(2,919,280)	37,156,619	-5.5%
- One-time DPA Settlements *	0	N/A	0	0	N/A	0	N/A	0	0	N/A
- Strategic Contribution Payments **	0	N/A	0	0	N/A	0	N/A	0	0	N/A
Subtotal TSPs	35,414,061	-0.1%	3,911,073	39,325,133	-5.9%	40,075,900	13.2%	(2,919,280)	37,156,619	-5.5%
Casino Revenue ***	3,958,008	1.0%	(1,226,125)	2,731,883	62.2%	3,997,588	1.0%	(293,141)	3,704,447	35.6%
Income from Investments	215,464	-4.6%	(3,657)	211,807	30.9%	215,464	0.0%	(103,207)	112,257	-47.0%
<b>Total - FHM Revenue</b>	<b>39,587,533</b>	<b>0.0%</b>	<b>2,681,291</b>	<b>42,268,823</b>	<b>-3.1%</b>	<b>44,288,952</b>	<b>11.9%</b>	<b>(3,315,628)</b>	<b>40,973,323</b>	<b>-3.1%</b>
<b>Change in Biennial Totals</b>								<b>(634,338)</b>		

\* FY 18 and 19 include a “one-time” settlement payment from tobacco manufacturers to settle the NPM Adjustment dispute for the years 2004 through 2017.

\*\* Beginning in FY 18, the ten-year strategic contribution payment ended with the funding nationally for this purpose returned to the regular distribution pool.

\*\*\* Casino Revenue reflects that portion of the State's share of proceeds from slot machines at the Hollywood Casino in Bangor designated for the Fund for a Healthy Maine.





## **Appendix D**

# **Medicaid/MaineCare Dedicated Revenue Taxes Summary Table**



## MEDICAID/MAINECARE DEDICATED REVENUE TAXES

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST

Source	FY15 Actuals	FY 16 Actual	% Chg.	FY 17 Actual	% Chg.	FY18 Actual	% Chg.	FY19 Actual	% Chg.	FY19 Budget	FY19 Variance	% Var.
Nursing Facility Tax	35,323,010	37,105,990	5.0%	36,162,788	-2.5%	33,755,577	-6.7%	34,999,161	3.7%	34,908,680	90,481	0.3%
Residential Treatment Facility (ICFs/MR) Tax	1,660,080	2,005,640	20.8%	1,939,129	-3.3%	2,078,079	7.2%	2,055,506	-1.1%	2,027,000	28,506	1.4%
Hospital Tax *	97,379,317	95,334,196	-2.1%	95,028,525	-0.3%	103,355,698	8.8%	102,503,718	-0.8%	103,044,619	(540,901)	-0.5%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)**	36,711,725	40,128,998	9.3%	43,710,762	8.9%	45,960,421	5.1%	50,424,722	9.7%	53,690,955	(3,266,233)	-6.1%
<b>Total - Health Care Provider Taxes</b>	<b>171,074,132</b>	<b>174,574,824</b>	<b>2.0%</b>	<b>176,841,205</b>	<b>1.3%</b>	<b>185,149,775</b>	<b>4.7%</b>	<b>189,983,107</b>	<b>2.6%</b>	<b>193,671,254</b>	<b>(3,688,147)</b>	<b>-1.9%</b>

\* The hospital tax base year was modified in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09; again in PL 2009, c. 571 to hospital fiscal years ending during calendar year 2008 beginning in FY 11; again in PL 2013, c. 368 to hospital fiscal years ending during calendar year 2012 beginning in FY 14; again in PL 2017, c.284 to hospital fiscal years ending during calendar year 2014 beginning in FY 18; and again in PL 2019, c.343 to hospital fiscal years ending during calendar year 2016 beginning in FY 20.

\*\* The Service Provider Tax rates were increased in PL 2015, c. 267, Part TTTT from 5.0% to 6.0% beginning in FY16, on 01/01/2016.

## MEDICAID/MAINECARE DEDICATED REVENUE TAXES

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST

Source	FY20 Actual	% Chg.	FY20 Revised	FY20 Variance	% Var.	FY21 Budget	% Chg.	Recom. Chg.	FY21 Revised	% Chg.
Nursing Facility Tax	43,432,833	24.1%	39,291,304	4,141,529	10.5%	41,786,220	-3.8%	0	41,786,220	-3.8%
Residential Treatment Facility (ICFs/MR) Tax	2,250,322	9.5%	2,278,115	(27,793)	-1.2%	2,278,115	1.2%	0	2,278,115	1.2%
Hospital Tax *	115,464,903	12.6%	115,287,729	177,174	0.2%	117,387,729	1.7%	(1,499,586)	115,888,143	0.4%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)**	52,990,306	5.1%	52,640,692	349,614	0.7%	54,169,872	2.2%	(13,254)	54,156,618	2.2%
<b>Total - Health Care Provider Taxes</b>	<b>214,138,364</b>	<b>12.7%</b>	<b>209,497,840</b>	<b>4,640,524</b>	<b>2.2%</b>	<b>215,621,936</b>	<b>0.7%</b>	<b>(1,512,840)</b>	<b>214,109,096</b>	<b>0.0%</b>

\* The hospital tax base year was modified in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09; again in PL 2009, c. 571 to hospital fiscal years ending during calendar year 2008 beginning in FY 11; again in PL 2013, c. 368 to hospital fiscal years ending during calendar year 2012 beginning in FY 14; again in PL 2017, c.284 to hospital fiscal years ending during calendar year 2014 beginning in FY 18; and again in PL 2019, c.343 to hospital fiscal years ending during calendar year 2016 beginning in FY 20.

\*\* The Service Provider Tax rates were increased in PL 2015, c. 267, Part TTTT from 5.0% to 6.0% beginning in FY16, on 01/01/2016.

## MEDICAID/MAINECARE DEDICATED REVENUE TAXES

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - AUGUST 2020 FORECAST

Source	FY22 Budget	% Chg.	Recom. Chg.	FY22 Revised	% Chg.	FY23 Budget	% Chg.	Recom. Chg.	FY23 Revised	% Chg.
Nursing Facility Tax	41,786,220	0.0%	0	41,786,220	0.0%	41,786,220	0.0%	0	41,786,220	0.0%
Residential Treatment Facility (ICFs/MR) Tax	2,278,115	0.0%	0	2,278,115	0.0%	2,278,115	0.0%	0	2,278,115	0.0%
Hospital Tax *	117,387,729	0.0%	(1,499,586)	115,888,143	0.0%	117,387,729	0.0%	(1,499,586)	115,888,143	0.0%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)**	54,169,872	0.0%	(13,254)	54,156,618	0.0%	54,169,872	0.0%	(13,254)	54,156,618	0.0%
<b>Total - Health Care Provider Taxes</b>	<b>215,621,936</b>	<b>0.0%</b>	<b>(1,512,840)</b>	<b>214,109,096</b>	<b>0.0%</b>	<b>215,621,936</b>	<b>0.0%</b>	<b>(1,512,840)</b>	<b>214,109,096</b>	<b>0.0%</b>
<b>Change in Biennial Totals</b>								<b>(3,025,680)</b>		

\* The hospital tax base year was modified in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09; again in PL 2009, c. 571 to hospital fiscal years ending during calendar year 2008 beginning in FY 11; again in PL 2013, c. 368 to hospital fiscal years ending during calendar year 2012 beginning in FY 14; again in PL 2017, c.284 to hospital fiscal years ending during calendar year 2014 beginning in FY 18; and again in PL 2019, c.343 to hospital fiscal years ending during calendar year 2016 beginning in FY 20.

\*\* The Service Provider Tax rates were increased in PL 2015, c. 267, Part TTTT from 5.0% to 6.0% beginning in FY16, on 01/01/2016.







## **Appendix E**

# **Consensus Economic Forecasting** **Commission Report**

**July 1, 2020**



**Report of the  
CONSENSUS ECONOMIC FORECASTING COMMISSION  
July 1, 2020**

**Commissioners**

Ryan Low, Chair  
*Vice Chancellor for Finance and Administration & Treasurer  
University of Maine System*

Dr. Chuck Lawton

Dr. Julieta Yung  
*Assistant Professor of Economics  
Bates College*

Sarah Austin  
*Policy Analyst  
Maine Center for Economic Policy*

Dr. Sheena S. Bunnell  
*Professor of Business Economics  
University of Maine Farmington*



## Summary

Given the extraordinary circumstances of the past three months and deterioration of economic conditions caused by the onset of COVID-19, the Maine Consensus Economic Forecasting Commission (CEFC) convened on June 25, 2020, for an off-cycle review and revision of its forecast through 2025. Prior to this meeting the CEFC held an information gathering session on June 22, 2020, a summary of which is available online. The Commission also revised its severe recession scenario for the purposes of producing a stress-test report due October 1, 2020. This report provides a summary of the Commission's findings.

The CEFC emphasizes that current conditions are unprecedented, highly uncertain, and include a large number of unknown variables. This forecast update represents the best the Commission could do with the information available at this time. Several key assumptions had to be made, encompassing both the public health situation and economic conditions, increasing the level of uncertainty associated with this forecast. Unpredictability, while always an element in the forecasting process, is front and center at this time. The CEFC looks forward to revisiting its assumptions in October 2020 to reflect new developments in the local economy.

Maine saw strong employment numbers in the first three months of 2020 before seeing record-setting job loss beginning in April. Total nonfarm employment is projected to decrease by -8.0% in 2020, with recovery of 4.0% and 2.0% in 2021 and 2022, before leveling to 0.0% in 2023-2025. This forecast anticipates employment will decline from around 636,000 in 2019 to a trough of around 585,000 in 2020, recovering to around 621,000 in 2022 before leveling off. This compares to a peak of 639,400 in the previous forecast.

Total personal income was revised down to an annual growth rate of 3.9% in 2020, 0.2 percentage points lower than the February 2020 forecast. The forecast for 2021 was revised down by 5.2 percentage points for an annual decline of -1.2%. This forecast is largely driven by a substantial increase in personal current transfer receipts in 2020 that will have expired by 2021. Changes to minor income lines resulted in upward revisions of 0.1 percentage points in 2024 and 2025.

All components of personal income were significantly revised for 2020 and 2021, while the CEFC opted to leave later years unchanged in most cases until better information about long-term trends becomes available. Growth in wages and salaries, the largest component of personal income, was revised downward to -5.0% in 2020, a 9.1 percentage point reduction from February. The forecast for 2021 was revised down to 2.0% from 3.7% in February. Growth rates for 2022 through 2025 were also revised down to reflect 3.0% growth in each year. Supplements to wages and salaries were forecast at -1.5% in 2020 compared to 4.0% in the February forecast, with the remaining years left unchanged. Nonfarm proprietor's income is forecast to decline by -3.0% in 2020, with all other years again left unchanged. Dividends, interest, and rent was revised for 2020 and 2021 to 0.1% and -1.0%, down from 3.2% and 3.0% in the February 2020 forecast. 2022-2025 were left unchanged. Personal current transfer receipts for 2020 were revised up from 5.5% growth in the February forecast to 30.0% growth, while the forecast for 2021 was revised down to -8.0% from 5.5%. The remaining years were left unchanged.

The CEFC projects that the Consumer Price Index (CPI) will fall below the Federal Reserve Bank's 2.0% inflation goal until 2023, instead growing by 0.9%, 1.5%, and 1.7% in 2020, 2021, and 2022, respectively. Additionally, the forecast for corporate profits was revised down to -30.0% in 2020 from the previous forecast of 3.2%. Growth for 2021 was revised up to 10.0%, and 2022-2026 were left unchanged.

The following table provides the forecast's major indicators.

Calendar Years	2019	2020	2021	2022	2023	2024	2025
<b>Wage &amp; Salary Employment (Annual Percentage Change)</b>							
CEFC Forecast 02/2020	0.9	0.5	0.2	0.1	0.0	0.0	0.0
CEFC Forecast 07/2020	0.9	-8.0	4.0	2.0	0.0	0.0	0.0
<b>Personal Income (Annual Percentage Change)</b>							
CEFC Forecast 02/2020	4.7	4.1	4.0	3.7	3.5	3.5	3.5
CEFC Forecast 07/2020	4.6	3.9	-1.2	3.7	3.5	3.6	3.6
<b>Wage and Salary Income (Annual Percentage Change)</b>							
CEFC Forecast 02/2020	4.5	4.1	3.7	3.4	3.2	3.2	3.2
CEFC Forecast 07/2020	4.6	-5.0	2.0	3.0	3.0	3.0	3.0
<b>CPI (Annual Percentage Change)</b>							
CEFC Forecast 02/2020	1.8	1.9	2.0	2.0	2.0	2.0	2.0
CEFC Forecast 07/2020	1.8	0.9	1.5	1.7	2.0	2.0	2.0

In deliberations leading to consensus, the CEFC considered information presented by the Maine Department of Labor, Maine Revenue Services, and by the Office of the State Economist in the Department of Administrative and Financial Services. The following sections summarize these reports. Additional background materials are available online.

#### **Office of the State Economist (Department of Administrative and Financial Services)**

Total personal income grew by 3.1% in the first quarter of 2020, partly driven by growth in personal current transfer receipts. First quarter figures reflect only the first two weeks of effects from the COVID-19 pandemic. Wage and salary disbursements fell by 0.5% at an annualized rate, while nationally wages and salaries grew by 0.2%. Second quarter data will likely show much larger losses in wages and salaries as many workers have been furloughed. This will likely be offset at least in part by growth in personal current transfer receipts as stimulus payments and unemployment insurance replace lost employment income.

Consumer sentiment and small business optimism have also declined, most recently coming in at -19.8% and -10.1% year-over-year, respectively. Maine's housing market has similarly taken a hit, with single-family home sales falling by -15% in May and -21% in April. Single-unit housing permits have fallen nationally, and the FHFA house price index rose 8.3% in the first quarter of 2020, signaling upward price pressure in the market, possibly reflecting limited availability of housing stock.

Consumer spending fell drastically in late March and early April as tens of thousands of Mainers lost their jobs and businesses were shuttered. Spending has largely recovered, especially among low- and middle-income consumers, and was spurred by federal stimulus payments to households. New data from the U.S. Census Bureau shows that the lowest-income households spent up to 80% of their stimulus payments on expenditures, while middle- and upper-income households opted to save and pay down debt.

Traffic is the closest to normal levels it has been since the second week of March, as indicated by Vehicle Miles Traveled (VMT) data. VMT in the third week of June was 12% lower than the same time last year, recovering from a trough of -42% in the last week of March.

It is important to remember that the current public health and economic crises are global events – the World Bank notes that we are currently experiencing the highest synchronization of national recessions since 1870, and Moody’s Analytics reflects that one of the current challenges for spurring economic growth is the lack of a major economy in a position to be the economic driver. Other global concerns reflected in Maine include the closure of the Canadian border, new immigration restrictions, and the continuing Chinese tariffs. However, IHS Markit’s most recent “flash” Purchasing Managers’ Index for four major global economies shows that the rate of contraction eased considerably in June, consistent with a return to global GDP growth.

Both IHS Markit and Moody’s Analytics note that the recovery will be determined by the course of the pandemic. Currently, it is likely that we see a sharp upturn in the immediate future followed by a much slower recovery. Increasing rates of infection in turn increase the risk of a “W” or double-dip recession. While states with earlier re-openings have generally seen higher employment growth, they are also starting to see increased numbers of infections, which may result in slower recoveries in the long term.

The National Bureau of Economic Research officially declared that the U.S. economy entered a recession in February 2020, ending the longest period of expansion on record. There are indications that April 2020 may have been the trough, with recovery beginning in May, which would make this the shortest recession in history. However, it is a very deep recession, and the recovery trajectory is still unclear. Additionally, this is very different from past recessions in that there was a deliberate curtailing of economic activity to contain a public health crisis; this is largely a service-sector based recession; spending is being buoyed by lower-income households; and urban areas are generally harder-hit than rural areas.

The federal assistance to date has helped avoid even worse consequences from the early effects of the pandemic, however, many programs are facing cliffs and state and local governments have seen only limited support without the ability to use Coronavirus Relief Funds for revenue backfill. Governors have been unanimous in calling for additional federal assistance. While Moody’s Analytics assumes another aid package is passed later this year, IHS Markit believes it is too early to know enough about the possible details of such a package to include it in their baseline assumptions.

Full background materials are available at: <https://www.maine.gov/dafs/economist/economic-forecasting>

## **Maine Department of Labor**

The pandemic has disrupted the labor market with record rates of job loss. It also has disrupted normal operations of the monthly payroll and household surveys, including response rates, and caused problems with classification of the labor force status of many people who recently lost employment.

The number of nonfarm payroll jobs decreased 104,500 in March and April, before rebounding by 14,300 in May. There were 90,200 fewer jobs in May than February, before the pandemic began to appreciably impact the labor market. The May rebound is from a combination of reopening of certain businesses and implementation of the Paycheck Protection Program (PPP).

Job losses were widespread across industries and areas of the state. Between February and May the number of jobs decreased 15 percent in the private sector and nine percent in the public sector. Nearly two-thirds of the three-month job losses were in the leisure and hospitality, healthcare and social assistance, and retail trade sectors. Those sectors also had the largest rebound in May, along with manufacturing. Much of the job loss in the public sector is from earlier than normal end to the school year (public schools, University of Maine System, and Maine Community Colleges).



Job losses have been sharper in the Portland metro area than in the Lewiston-Auburn or Bangor metros or non-metro areas. This is due to a combination of factors including concentration of the most impacted industries, higher rates of infection from the virus in the most densely populated part of the state, and later reopening in Cumberland and York counties.

Unemployment rates surged in April and subsided modestly in May to 9.3 percent for Maine and 13.3 percent for the nation. The number of unemployed people is up less than half as much as net job loss reported by the payroll survey. Two issues are causing unemployment estimates to understate the level of job displacement. The first is a sharp decline in labor force participation. In May there were 30,000 fewer people in the labor force than in February. This is because safety concerns and stay at home orders prevented many people who lost a job from engaging in normal work search activities. To be counted as unemployed, a person must have engaged in work search; retired and other jobless people who did not search for work are considered to be out of the labor force.

The second issue is misclassification of people who were laid off and expect to be recalled to their job. Those people should be counted as “temporarily unemployed,” but more than 32,000 were classified by survey interviewers as “employed, not at work,” a category that normally includes people on vacation or sick leave. The combined effect of these two issues is that there were close to 125,000 unemployed people in May, double the official estimate. Accounting for these factors, the unofficial but more realistic unemployment rate for Maine is 18 percent and the national rate is 19.7 percent.

Future workforce conditions in Maine will depend on many factors including business re-openings or closures, the share of layoffs that are permanent versus temporary, and changes in labor force participation. Two recent nationwide projections from the Federal Open Market Committee (FOMC) and the Congressional Budget Office (CBO) suggest a slow recovery in the second half of 2020 and continuing through 2022. The median unemployment rate projection from the FOMC is 9.3 percent in the fourth quarter of 2020, 6.5 percent in the fourth quarter of 2021, and 5.5 percent in the fourth quarter of 2022. The CBO projects the U.S. labor force will decrease by 3 million by the fourth quarter of 2021.

The 14.2 percent rate of nonfarm payroll job loss in Maine from February to May was higher than the national 12.8 percent decline. Compared to the nation, Maine has a similar share of jobs in two of the three sectors experiencing the most substantial job loss during the pandemic: 11 percent in the leisure and hospitality and 8.4 percent of jobs in manufacturing, and a higher share in retail trade (12.7 percent). Maine’s leisure and hospitality sector has a larger seasonal increase in the summer than the nation due to tourism, which is likely to be more modest in 2020 than usual. Overall, dependence on summer tourism and a slightly higher share of jobs in high risk industries puts the labor market in a more vulnerable position in Maine than nationally.

Projecting future labor market conditions is challenging for four reasons. The first is the public health situation: the length of time physical distancing is necessary, uncertainty over a second wave, and when a vaccine will be available are not yet known. The second is the public policy response: whether schools will reopen in the fall, availability of child care, and whether expanded unemployment compensation, the PPP, and other initiatives will be extended or added. The third is from data collection issues outlined above. The fourth is uncertainty about the extent to which consumers will return to normal activities and workers will feel safe returning to work. The pandemic is likely to significantly moderate summer tourism this year, curtailing usual seasonal hiring. Lack of child care availability or continued school closures are likely to suppress labor force participation.

The presentation is available at <https://www.maine.gov/labor/cwri/publications/pdf/CEFCJune2020.pdf>

## **Maine Revenue Services - Office of Tax Policy**

In its March 1, 2020, update the Revenue Forecasting Committee (RFC) revised General Fund (GF) revenue estimates upward by \$40.0 million for FY20 and by \$34.1 million for FY21, for a combined increase of \$74.1 million for the 2020-2021 biennium. The net increase in GF revenue during the forecast period was primarily from individual income and sales and use taxes. In both cases the strong underlying Maine economy was producing equally strong revenue growth through the first eight months of FY20. The forecasted overall rate of growth for GF revenue for FY20 was 3.9% over FY19 final revenue amounts, followed by a 1.9% rate of growth for FY21. The forecast for the 2022-2023 biennium was revised upward by \$31.6 million for FY22 and by \$33.3 million for FY23 (an increase of \$65.0 million for the biennium). FY22 GF revenues were projected to grow at an overall rate of 2.5% and FY23 at a rate of 3.4%.

Within days of the March 1 release of the new revenue forecast it became apparent that the COVID-19 pandemic had spread to the United States and the economy was in the process of being deliberately shut down to prevent the spread of the virus. To assist the Administration and Legislature in understanding the potential impact of the emerging economic crisis on FY2020-21 revenues, the Office of Tax Policy (OTP) applied the severe recession scenario from the 2018 stress-test to the current RFC GF forecast. ([https://www.maine.gov/dafs/economist/sites/maine.gov/dafs/economist/files/inline-files/Stress-Testing\\_Maine\\_General\\_Fund\\_Revenues\\_and\\_Reserves\\_FY19-FY23.pdf](https://www.maine.gov/dafs/economist/sites/maine.gov/dafs/economist/files/inline-files/Stress-Testing_Maine_General_Fund_Revenues_and_Reserves_FY19-FY23.pdf))

Rescinding the March 1 forecast changes and applying the stress-test results to the December 1, 2019, revenue forecast resulted in the projection of a \$200 million GF revenue shortfall in FY20 (-5 percent) and a \$450-\$525 million shortfall in FY21 (-11 to -15 percent). Focusing on the immediate concern of FY20, the 2018 stress-test projected a combined sales and use tax and service provider tax shortfall of \$100 million over the final quarter of FY20, and a combined individual and corporate income tax shortfall of \$100 million during the same time period. To meet these estimated shortfalls, sales and service provider taxes were forecasted to be below budget by 25 percent over the three-month period (down 20 percent compared to the final quarter of FY19). Individual income tax receipts were estimated to be \$89 million below budget during the final quarter of FY20, with withholding comprising \$30 million of that shortfall (6 percent below the same quarter a year ago), and April and June estimated payments comprising the remaining \$59 million (53 percent below a year ago). Corporate income tax April and June estimated payments represented the remaining \$11 million income tax shortfall (21 percent below 2019 April and June payments). In all these cases the year-over-year percentage reductions were nearly double what was experienced during the depths of the 2007-09 recession.

With actual revenues through May and less than a week of processing left in June, it appears that the FY20 GF revenue shortfall will be closer to \$135 million: \$65 million from sales and use and service provider taxes and \$70 million from individual and corporate income taxes. For the final quarter of the fiscal year, sales and use and service provider taxes are projected to be approximately 16 percent below budget and 10 percent below FY19. While April taxable sales (May revenue) were consistent with the 25 percent variance from forecast using the stress-test, March (April revenue) and May (June revenue) taxable sales performed better than expected. April receipts were under budget by 13 percent as the shutdown of many businesses sectors was not imposed until the second half of March. All indications are that consumer spending during the first two weeks of March were consistent with the robust growth during January and February. Taxable sales plunged during the final two weeks of March but were partially offset by a “stocking up” effect as Maine households prepared to shelter in place. April taxable sales reflected the height of the shutdown with most business sectors reporting year-over-years declines in excess of 25 percent. Restaurants and lodging were impacted the hardest in April with year-over-year declines of 58 percent and 80 percent, respectively. Preliminary May taxable sales data shows the

reopening of many business sectors and federal stimulus dollars resulted in a year-over-year decline like March.

The \$30 million difference in the expected FY20 shortfall for income taxes is entirely from withholding receipts. OTP now expects withholding receipts to be slightly over budget at the end of the fiscal year. While the unemployment rate in Maine has spiked in April and May, most of the job losses have been concentrated in the leisure and hospitality and retail sales sectors. These sectors tend to pay lower than average wages and the enhanced unemployment benefits implemented as part of the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act has in many cases resulted in taxable unemployment benefits equal to more than the lost wage income. These enhanced unemployment benefits have resulted in withholding receipts during the final quarter of the fiscal year to be consistent with the March 1 revenue forecast.

The upcoming revenue forecast for FY21 and the FY22-23 biennium will be highly influenced by the new economic forecast and the assumptions behind it. Other important factors that will be considered by the RFC will be: (1) volatile capital gains realizations for the 2020 tax year, (2) whether the enhanced unemployment benefits extend beyond July 2020, (3) to what extent tourism-related taxable sales are affected during July-October when tourism activity becomes a larger percentage of our sales tax base, and (4) whether the recent spike in the savings rate continues, further reducing sales tax receipts.

### **Macroeconomic Assumptions**

Two different baseline economic forecasts were examined at the meeting: the Moody's Analytics baseline scenario for June 2020 and the IHS Markit baseline scenario for June 2020. Each forecast was based on a different set of national macroeconomic assumptions. These forecasts were then compared to the CEFC's February 2020 forecast. Given the unprecedented and highly uncertain events of the COVID-19 pandemic and the recently-declared economic recession that began in February 2020, the CEFC was compelled to make major revisions to its short-term forecast. The CEFC also noted that it will consider further revisions to the out-years of its forecast (2023-2025) in its regularly-scheduled meeting in October, when more data are available. The key assumptions made by the CEFC are as follows:

- A protracted and slow recovery from the current recession
- No subsequent outbreaks of COVID-19 in Maine requiring a full lockdown
- Any COVID-19 "hot spots" within the state are effectively managed and contained through risk stratification, testing, contact tracing, and isolation
- Further federal stimulus will follow later this year that includes support for state and local governments, the unemployed, and lower-income households
- Long-term structural changes will occur as certain firms need to adapt to new methods of operations due to public health conditions
- The widespread availability and distribution of a vaccine is uncertain at this point
- The Commission was optimistic that there is an opportunity for Maine to see increased immigration in the coming years as telework becomes part of the "new normal" and people look for less densely-population places to live

## Consensus Forecast

Maine saw strong employment numbers in the first three months of 2020 before seeing unprecedented job loss beginning in April. Total nonfarm employment is projected to decrease by 8.0% in 2020, with recovery of 4.0% and 2.0% in 2021 and 2022, before leveling to 0.0% in 2023-2025. The February 2020 forecast placed 2020, 2021, and 2022 at 0.5%, 0.2%, and 0.1% growth, respectively, and 0.0% in 2023-2025. This revised forecast anticipates employment will decline from 636.0 thousand in 2019 to 585.1 thousand in 2020, reaching a peak of 620.8 thousand in 2022 before stagnating. The February 2020 forecast projected a peak of 639.4 thousand. Construction jobs appear to have held up reasonably well for the time being and the CEFC recognized that there is potential for education and health services to rebound as new public health measures become widely implemented. Manufacturing presents a mixed picture, with firms in the pandemic response field potentially seeing sizeable gains in the near future. A concern is the possible lack of seasonal hiring in the retail and hospitality sectors.

Total personal income was revised down to 3.9% in 2020, 0.2 percentage points lower than the February 2020 forecast. 2020 was revised down by 5.2 percentage points, while 2024 and 2025 were revised slightly up by 0.1 percentage point. Total personal income growth is now forecast at 3.9%, -1.2%, 3.7%, 3.5%, 3.6% and 3.6% from 2020-2025, chronologically.

All components of personal income were revised substantially for 2020 and 2021, while the CEFC opted to leave most components unchanged for 2022-2025, with plans to consider revisions for these years during its next regularly-scheduled meeting in October when more information is available.

Growth in wages and salaries, the largest component of personal income, was revised down to -5.0% in 2020 from 4.1% in February. 2021 was revised down to 2.0% from 3.7%. 2022-2025 were also revised down to reflect 3.0% growth in each year. Much of the employment impact in the past few months has been to lower-wage workers. Some support has come from the Paycheck Protection Program, which is scheduled to expire at the end of 2020. This forecast assumes a return to the “normal” trend in the out-years, but at a slightly lower rate.

Growth in supplements to wages and salaries was revised down to -1.5% in 2020 compared to 4.0% in the February forecast. 2021-2025 were left unchanged.

Nonfarm proprietors’ income is forecast to fall by 3.0% in 2020. All other years were left unchanged, reflecting growth of 3.2% in 2021, 3.3% in 2022, and 2.5% from 2023-2025. Funds from the Paycheck Protection Program will be reflected partially in this line.

The forecast for dividends, interest, and rent was revised down for 2020 and 2021 to 0.1% and -1.0%, respectively, from 3.2% and 3.0% in the February 2020 forecast. The forecasts for 2022-2025 were left unchanged. The rent component may put some downward pressure on this line, and the Commission recognized that the interest rate forecast from IHS Markit, reflecting an accommodative monetary stance and low long-term interest rates, seemed more appropriate in the near term.

Growth in personal current transfer receipts was revised upward to 30.0% in 2020, from 5.5%, and downwards to -8.0% in 2021, again from 5.5%. The forecast for 2022-2025 was left unchanged. This reflects changes of +24.5 percentage points in 2020 and -13.5 percentage points in 2021. The substantial increase in this line includes increases to Medicaid and unemployment insurance as well as recognition of the stimulus checks from the federal government.

The CEFC projects that the Consumer Price Index (CPI) will fall below the Federal Reserve Bank's 2.0% inflation goal until 2023, instead growing by 0.9%, 1.5%, and 1.7% in 2020, 2021, and 2022, respectively. Additionally, the forecast for corporate profits was revised down to -30.0% in 2020 from a previous forecast of 3.2%. Growth for 2021 was revised up to 10.0% and 2022-2025 were left unchanged.

Some of the largest risk factors considered by the CEFC were related to public health. While the CEFC's assumption for this forecast is that any future hot spots of COVID-19 in Maine are appropriately responded to by the state to avoid a widespread outbreak that would require lockdown, the Commission acknowledges that there is uncertainty regarding the possibility of a second wave and the severity thereof. It also remains uncertain on the availability and acceptance of a vaccine in calendar year 2021. Overall, the commission maintains that the success and speed of the economic recovery are dependent on public health outcomes.

In addition to revising its February 2020 forecast, the CEFC revised its severe recession scenario to be used in the revenue stress-testing report due October 1, 2020. The Commission opted to replace the previous severe recession scenario with the above-described July 2020 off-cycle forecast.

The following page provides the full forecast.

Maine Consensus Economic Forecasting Commission							
July 2020 Off-Cycle Forecast Update	History	Forecast					
	2019	2020	2021	2022	2023	2024	2025
CPI-U* (Annual Change)	1.8%	0.9%	1.5%	1.7%	2.0%	2.0%	2.0%
CPI for Energy Prices** (Annual Change)	-2.1%	-10.1%	8.8%	6.5%	1.3%	2.1%	2.9%
CPI for New Vehicles** (Annual Change)	0.4%	-1.3%	0.3%	0.1%	0.3%	0.2%	0.1%
New Vehicle Registrations** (Annual Change)	-3.8%	-27.9%	13.1%	3.5%	0.5%	-0.9%	0.7%
Personal Savings Rate**	7.9%	15.4%	8.7%	7.3%	7.1%	6.8%	6.5%
Maine Unemployment Rate**	3.0%	8.0%	5.7%	4.3%	3.7%	3.5%	3.4%
3-Month Treasury Bill Rate**	2.06%	0.37%	0.10%	0.09%	0.10%	0.11%	0.11%
10-Year Treasury Note Yield**	2.14%	0.98%	0.89%	1.03%	1.26%	1.49%	1.78%
Before-Tax Corporate Profits* (Annual Change)	0.2%	-30.0%	10.0%	3.7%	2.7%	2.7%	2.7%
Maine Wage & Salary Employment* (#thousands)	636.0	585.1	608.6	620.8	620.7	620.7	620.7
Natural Resources	2.2	2.0	2.1	2.2	2.2	2.2	2.2
Construction	29.8	29.0	27.4	27.5	27.1	27.1	27.4
Manufacturing	53.3	49.9	48.8	50.2	50.3	50.4	50.5
Trade/Trans./Public Utils.	118.7	110.7	117.0	115.7	106.4	106.1	106.1
Information	7.2	6.4	6.5	6.8	6.8	6.8	6.7
Financial Activities	33.0	32.3	31.2	32.1	32.0	31.9	31.8
Prof. & Business Services	69.4	64.0	66.1	71.0	73.0	73.1	73.7
Education & Health Services	129.3	121.6	127.9	129.5	134.2	135.4	135.8
Leisure & Hospitality Services	69.5	50.1	63.1	64.9	67.9	67.2	66.2
Other Services	22.4	21.4	20.3	20.7	20.5	20.2	20.0
Government	101.3	97.8	98.2	100.2	100.4	100.3	100.3
Maine Wage & Salary Employment* (Annual Change)	0.9%	-8.0%	4.0%	2.0%	0.0%	0.0%	0.0%
Natural Resources	-1.5%	-9.4%	5.0%	5.5%	0.0%	-0.1%	-0.7%
Construction	1.5%	-2.8%	-5.3%	0.2%	-1.5%	0.2%	1.0%
Manufacturing	2.3%	-6.3%	-2.4%	3.0%	0.1%	0.2%	0.2%
Trade/Trans./Public Utils.	-0.4%	-6.7%	5.7%	-1.1%	-8.0%	-0.3%	0.0%
Information	-3.1%	-11.9%	3.0%	3.4%	-0.2%	0.3%	-0.8%
Financial Activities	2.7%	-2.0%	-3.5%	2.9%	-0.2%	-0.4%	-0.3%
Prof. & Business Services	0.0%	-7.9%	3.3%	7.4%	2.8%	0.2%	0.9%
Education & Health Services	1.8%	-5.9%	5.1%	1.3%	3.6%	0.9%	0.3%
Leisure & Hospitality Services	0.7%	-27.8%	25.9%	2.9%	4.6%	-1.0%	-1.6%
Other Services	0.6%	-4.4%	-5.0%	1.8%	-1.0%	-1.5%	-1.1%
Government	1.0%	-3.5%	0.5%	2.0%	0.2%	-0.1%	0.0%
	2019	2020	2021	2022	2023	2024	2025
Personal Income* (\$ million)	68,487	71,126	70,252	72,861	75,442	78,158	80,988
Wages & Salaries*	31,363	29,795	30,391	31,302	32,241	33,209	34,205
Supplements to Wages & Salaries*	7,984	7,864	8,147	8,424	8,710	9,007	9,313
Nonfarm Proprietors' Income*	5,140	4,986	5,145	5,315	5,448	5,584	5,724
Farm Proprietors' Income**	66	26	57	88	73	58	57
Dividends, Interest, & Rent*	12,866	12,879	12,750	13,043	13,330	13,624	13,923
Dividends	3,937	4,070	4,029	4,009	4,060	4,114	4,313
Interest	6,100	5,860	5,598	5,667	5,665	5,701	5,653
Rent	2,841	2,957	3,124	3,369	3,599	3,801	3,946
Personal Current Transfer Receipts*	15,281	19,866	18,277	19,282	20,342	21,481	22,706
Less: Contributions for Social Ins.**	5,304	5,291	5,597	5,746	5,901	6,047	6,231
Adjustment for Residence**	1,092	1,002	1,083	1,152	1,198	1,243	1,291
Personal Income* (Annual Change)	4.6%	3.9%	-1.2%	3.7%	3.5%	3.6%	3.6%
Wages & Salaries*	4.6%	-5.0%	2.0%	3.0%	3.0%	3.0%	3.0%
Supplements to Wages & Salaries*	4.4%	-1.5%	3.6%	3.4%	3.4%	3.4%	3.4%
Nonfarm Proprietors' Income*	3.9%	-3.0%	3.2%	3.3%	2.5%	2.5%	2.5%
Farm Proprietors' Income**	55.3%	-60.2%	116.1%	55.0%	-17.5%	-20.1%	-1.8%
Dividends, Interest, & Rent*	2.4%	0.1%	-1.0%	2.3%	2.2%	2.2%	2.2%
Dividends	4.2%	3.4%	-1.0%	-0.5%	1.3%	1.3%	4.8%
Interest	1.1%	-3.9%	-4.5%	1.2%	0.0%	0.6%	-0.8%
Rent	2.9%	4.1%	5.6%	7.8%	6.8%	5.6%	3.8%
Personal Current Transfer Receipts*	7.1%	30.0%	-8.0%	5.5%	5.5%	5.6%	5.7%
Less: Contributions for Social Ins.**	4.9%	-0.2%	5.8%	2.7%	2.7%	2.5%	3.0%
Adjustment for Residence**	4.8%	-8.2%	8.1%	6.4%	4.0%	3.8%	3.9%
*CEFC Forecast							
**From IHS Markit and Moody's Analytics baselines (Jun. 2020)							
Remaining lines derived from CEFC forecast by CEFC staff and reviewed by CEFC							



## **APPENDIX F**

# **Maine Revenue Services** **Recommendations and Background** **Materials**

### **Table of Contents**

Summary Maine Revenue Services Recommendations .....	F-1
Revenue Update Through June 2020 .....	F-2
Sales and Use Tax and Service Provider Tax .....	F-9
Individual Income Tax .....	F-22
Corporate Income Tax .....	F-36
Other Taxes .....	F-38
Motor Fuel Tax .....	F-45





**Maine Revenue Services' - Office of Tax Policy - Recommendations to the Revenue Forecasting Committee**

	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>FY 22-23 Biennium</u>
<b>Sales &amp; Use Tax</b>	(\$238,000,000)	(\$151,893,000)	(\$131,282,000)	(\$283,175,000)
<b>Service Provider Tax</b>	\$1,000,000	\$1,000,000	\$1,000,000	\$2,000,000
<b>Individual Income Tax</b>	(\$260,300,000)	(\$283,300,000)	(\$317,500,000)	(\$600,800,000)
<b>Corporate Income Tax</b>	(\$34,670,000)	(\$27,820,000)	(\$23,560,000)	(\$51,380,000)
<b>Estate Tax</b>	\$250,000	\$1,500,000	\$1,800,000	\$3,300,000
<b>Real Estate Transfer Tax, General Fund</b>	(\$1,600,000)	(\$1,125,000)	(\$525,000)	(\$1,650,000)
<b>Cigarette, Tobacco, and Marijuana Excise Taxes</b>	(\$4,826,506)	(\$3,135,799)	(\$3,089,174)	(\$6,224,973)
<b>Insurance Company Tax</b>	\$400,000	\$400,000	\$400,000	\$800,000
<b>BETE Reimbursement</b>	\$500,000	\$1,000,000	\$1,000,000	\$2,000,000
<b>BETR Reimbursement</b>	\$1,600,000	\$1,600,000	\$1,600,000	\$3,200,000
<b>Gas Tax</b>	(\$28,644,539)	(\$12,339,785)	(\$12,653,093)	(\$24,992,878)
<b>Special Fuel Tax</b>	(\$4,395,619)	(\$3,894,325)	(\$3,560,071)	(\$7,454,396)
<hr/>				
<b>Total Adjustments to Current Forecast</b>	(\$568,686,664)	(\$478,007,909)	(\$486,369,338)	(\$964,377,247)
<hr/>				
General Fund	(\$515,822,071)	(\$431,954,137)	(\$448,883,074)	(\$880,837,211)
Local Government Fund	(\$19,948,875)	(\$23,100,650)	(\$23,567,100)	(\$46,667,750)
Tourism Marketing Promotion Fund	(\$1,690,825)	(\$5,801,000)	(\$1,962,000)	(\$7,763,000)
Adult Use Marijuana Public Health and Safety Fund	\$1,344,198	\$2,554,988	\$3,921,000	\$6,475,988
Multimodal Transportation Fund	\$471,067	(\$3,473,000)	\$335,000	(\$3,138,000)
Highway Fund (Motor Fuel Taxes)	(\$29,907,468)	(\$14,731,116)	(\$14,704,493)	(\$29,435,609)
Transcap Trust Fund	(\$2,428,098)	(\$1,194,414)	(\$1,192,256)	(\$2,386,670)
Other Gas Tax Distributions	(\$704,592)	(\$308,580)	(\$316,415)	(\$624,995)

Department of Administrative and Financial Services  
Maine Revenue Services  
Office of Tax Policy

28-Jul-20  
3:29 PM

# STATE OF MAINE

## Undedicated Revenues - General Fund

For the Twelfth Month Ended June 30, 2020

For the Fiscal Year Ending June 30, 2020

Comparison to Budget

Exhibit I

### PRELIMINARY AND TENTATIVE FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

	Month				Fiscal Year to Date				Total Budgeted Fiscal Year Ending 6/30/2020
	Actual	Budget	Variance Over(Under)	Percent Over(Under)	Actual	Budget	Variance Over(Under)	Percent Over(Under)	
Sales and Use Tax	\$ 125,577,457	\$ 144,127,474	\$ (18,550,017)	(12.9)%	\$ 1,555,713,076	\$ 1,617,545,344	\$ (61,832,268)	(3.8)%	\$ 1,617,545,344
Service Provider Tax	5,767,426	4,477,110	1,290,316	28.8%	58,012,511	57,024,000	988,511	1.7%	57,024,000
Individual Income Tax	180,271,821	163,249,699	17,022,122	10.4%	1,835,972,805	1,810,313,500	25,659,305	1.4%	1,810,313,500
Corporate Income Tax	38,107,398	35,296,456	2,810,942	8.0%	216,131,489	217,280,000	(1,148,512)	(0.5)%	217,280,000
Cigarette and Tobacco Tax	10,712,328	11,310,163	(597,835)	(5.3)%	137,331,317	141,621,642	(4,290,325)	(3.0)%	141,621,642
Insurance Companies Tax	29,086,222	26,633,638	2,452,584	9.2%	82,145,116	75,950,000	6,195,116	8.2%	75,950,000
Estate Tax	62,737	239,421	(176,684)	(73.8)%	21,079,344	20,450,000	629,344	3.1%	20,450,000
Fines, Forfeits & Penalties	750,775	957,511	(206,736)	(21.6)%	9,986,146	12,319,191	(2,333,045)	(18.9)%	12,319,191
Income from Investments	1,089,691	1,427,174	(337,483)	(23.6)%	12,121,418	12,304,505	(183,087)	(1.5)%	12,304,505
Transfer from Lottery Commission	5,418,085	4,688,854	729,231	15.6%	64,589,742	57,000,000	7,589,742	13.3%	57,000,000
Transfers for Tax Relief Programs	(2,238,178)	-	(2,238,178)	-%	(74,637,969)	(76,815,000)	2,177,031	2.8%	(76,815,000)
Transfer to Municipal Revenue Sharing	(10,733,186)	(14,872,309)	4,139,123	27.8%	(113,613,360)	(111,887,992)	(1,725,368)	(1.5)%	(111,887,992)
Other Taxes and Fees	16,136,601	13,443,567	2,693,034	20.0%	139,144,510	138,146,069	998,441	0.7%	138,146,069
Other Revenues	17,874,500	12,189,522	5,684,978	46.6%	25,367,559	26,855,866	(1,488,307)	(5.5)%	26,855,866
<b>Total Collected</b>	<b>\$ 417,883,678</b>	<b>\$ 403,168,280</b>	<b>\$ 14,715,398</b>	<b>3.6%</b>	<b>\$ 3,969,343,702</b>	<b>\$ 3,998,107,125</b>	<b>\$ (28,763,423)</b>	<b>(0.7)%</b>	<b>\$ 3,998,107,125</b>

#### NOTES:

(1) Included in the above is \$10,733,186 for the month and \$113,613,360 year to date, that was set aside for Revenue Sharing with cities and towns.

(2) Figures reflect estimates of the Maine State Revenue Forecasting Committee approved in March 2020, laws enacted through the end of the 129th Legislature, 2nd Regular Session for all laws and any emergency laws.

(3) Included in Individual Income Tax and Corporate Income Tax lines above are adjustments to recognize amounts due April 15 and June 15 for which collections have been deferred until July 15 in response to the COVID-19 pandemic. These adjustments have been reduced by the amounts actually collected from taxpayers prior to the July 15 deferred due date. These adjustments include: \$190,534,523 for Individual Income Tax final payments for CY 2019; \$34,075,069 for Individual Income Tax estimated payments for the 1st quarter of CY 2020; \$33,382,462 for Individual Income Tax estimated payments for the 2nd quarter of CY 2020; \$9,652,863 for Corporate Income Tax final payments for CY 2019; \$14,086,111 for Corporate Income Tax estimated payments for the 1st quarter of CY 2020; and \$23,049,426 for Corporate Income Tax estimated payments for the 2nd quarter of CY 2020.

(4) Included in Fiscal Year to Date figures above are the cumulative effect of the adjustments detailed in Note 3 above. The adjustments total: \$257,992,054 for Individual Income Tax and \$46,788,400 for Corporate Income Tax.

(5) This report has been prepared from preliminary month end figures and is subject to change.

**STATE OF MAINE**

**Undedicated Revenues - General Fund**

**For the Twelfth Month Ended June 30, 2020 and 2019**

**For the Fiscal Year Ending June 30, 2020 and 2019**

**Comparison to To Prior Year**

**Exhibit II**

**PRELIMINARY AND TENTATIVE  
FOR VERIFICATION PURPOSES & INTERNAL USE ONLY**

	Month				Fiscal Year to Date			
	Current Year	Prior Year	Variance Over(Under)	Percent Over(Under)	Current Year	Prior Year	Variance Over(Under)	Percent Over(Under)
Sales and Use Tax	\$ 125,577,457	\$ 134,166,039	\$ (8,588,582)	(6 4)%	\$ 1,555,713,076	\$ 1,503,771,784	\$ 51,941,292	3 5 %
Service Provider Tax	5,767,426	4,215,612	1,551,813	36 8 %	58,012,511	59,012,956	(1,000,445)	(1 7)%
Individual Income Tax	180,271,821	158,261,961	22,009,860	13 9 %	1,835,972,805	1,701,005,768	134,967,037	7 9 %
Corporate Income Tax	38,107,398	41,029,275	(2,921,876)	(7 1)%	216,131,489	252,866,884	(36,735,396)	(14 5)%
Cigarette and Tobacco Tax	10,712,328	7,310,126	3,402,202	46 5 %	137,331,317	125,977,694	11,353,623	9 0 %
Insurance Companies Tax	29,086,222	28,429,421	656,801	2 3 %	82,145,116	77,277,183	4,867,933	6 3 %
Estate Tax	62,737	1,694,904	(1,632,167)	(96 3)%	21,079,344	15,851,350	5,227,994	33 0 %
Fines, Forfeits & Penalties	750,775	1,057,337	(306,561)	(29 0)%	9,986,146	15,485,118	(5,498,972)	(35 5)%
Income from Investments	1,089,691	3,094,292	(2,004,601)	(64 8)%	12,121,418	12,474,570	(353,152)	(2 8)%
Transfer from Lottery Commission	5,418,085	4,573,038	845,046	18 5 %	64,589,742	62,675,109	1,914,633	3 1 %
Transfers for Tax Relief Programs	(2,238,178)	(3,176,065)	937,888	29 5 %	(74,637,969)	(68,087,807)	(6,550,163)	(9 6)%
Transfer to Municipal Revenue Sharing	(10,733,186)	(8,919,479)	(1,813,707)	(20 3)%	(113,613,360)	(74,095,532)	(39,517,828)	(53 3)%
Other Taxes and Fees	16,136,601	14,211,736	1,924,865	13 5 %	139,144,510	150,110,769	(10,966,259)	(7 3)%
Other Revenues	17,874,500	13,476,392	4,398,108	32 6 %	25,367,559	14,185,246	11,182,313	78 8 %
<b>Total Collected</b>	<b>\$ 417,883,678</b>	<b>\$ 399,424,589</b>	<b>\$ 18,459,089</b>	<b>4 6 %</b>	<b>\$ 3,969,343,702</b>	<b>\$ 3,848,511,092</b>	<b>\$ 120,832,610</b>	<b>3 1 %</b>

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

**STATE OF MAINE**

**Undedicated Revenues - General Fund  
For the Twelfth Month Ended June 30, 2020  
For the Fiscal Year Ending June 30, 2020  
All Other Comparison to Budget**

**Exhibit III**

**PRELIMINARY AND TENTATIVE  
FOR VERIFICATION PURPOSES & INTERNAL USE ONLY**

	Month				Fiscal Year to Date				Total Budgeted Fiscal Year Ending 6/30/2020
	Actual	Budget	Variance Over(Under)	Percent Over(Under)	Actual	Budget	Variance Over(Under)	Percent Over(Under)	
<u>Detail of Other Taxes &amp; Fees</u>									
0100s All Others	\$ 3,113,844	\$ 4,067,252	\$ (953,408)	(23 4)%	\$ 31,687,096	\$ 31,484,972	\$ 202,124	0 6 %	\$ 31,484,972
0300s Aeronautical Gas Tax	18,349	21,152	(2,803)	(13 3)%	261,883	278,509	(16,626)	(6 0)%	278,509
0400s Alcohol Excise Tax	1,644,752	1,552,065	92,687	6 0 %	17,877,979	18,412,786	(534,807)	(2 9)%	18,412,786
0700s Corporation Taxes	3,643,235	1,297,330	2,345,905	180 8 %	11,777,263	10,938,649	838,614	7 7 %	10,938,649
0800s Public Utilities	-	(33,743)	33,743	100 0 %	6,418,268	6,000,000	418,268	7 0 %	6,000,000
1000s Banking Taxes	3,269,600	2,256,010	1,013,590	44 9 %	27,952,210	28,008,450	(56,240)	(0 2)%	28,008,450
1100s Alcoholic Beverages	323,470	431,401	(107,931)	(25 0)%	7,256,037	5,881,038	1,374,999	23 4 %	5,881,038
1200s Amusements Tax	1,000	-	1,000	- %	8,000	110,000	(102,000)	(92 7)%	110,000
1300s Harness Racing Pari-mutuel	2,023	821,508	(819,485)	(99 8)%	6,544,936	8,837,275	(2,292,339)	(25 9)%	8,837,275
1400s Business Taxes	1,677,393	781,246	896,147	114 7 %	7,978,397	7,276,901	701,496	9 6 %	7,276,901
1500s Motor Vehicle Licenses	691,025	347,716	343,309	98 7 %	4,159,919	4,265,577	(105,658)	(2 5)%	4,265,577
1700s Inland Fisheries & Wildlife	1,700,780	1,875,337	(174,557)	(9 3)%	16,508,826	15,986,716	522,110	3 3 %	15,986,716
1900s Other Licenses	51,129	26,293	24,836	94 5 %	713,697	665,196	48,501	7 3 %	665,196
<b>Total Other Taxes &amp; Fees</b>	<b>\$ 16,136,601</b>	<b>\$ 13,443,567</b>	<b>\$ 2,693,034</b>	<b>20 0 %</b>	<b>\$ 139,144,510</b>	<b>\$ 138,146,069</b>	<b>\$ 998,441</b>	<b>0 7 %</b>	<b>\$ 138,146,069</b>
<u>Detail of Other Revenues</u>									
2200s Federal Revenues	\$ -	\$ 11,250	\$ (11,250)	(100 0)%	\$ 75,909	\$ 135,000	\$ (59,091)	(43 8)%	\$ 135,000
2300s County Revenues	-	-	-	- %	-	-	-	- %	-
2400s Revenues from Cities and Towns	125,460	23,167	102,293	441 5 %	269,985	277,996	(8,011)	(2 9)%	277,996
2500s Revenues from Private Sources	284,235	107,541	176,694	164 3 %	1,890,831	1,970,800	(79,969)	(4 1)%	1,970,800
2600s Current Service Charges	5,927,726	3,879,466	2,048,260	52 8 %	29,192,130	29,628,564	(436,434)	(1 5)%	29,628,564
2700s Transfers from (to) Other Funds	11,536,860	8,121,751	3,415,109	42 0 %	(6,159,846)	(5,301,194)	(858,652)	(16 2)%	(5,301,194)
2800s Sales of Property & Equipment	220	46,347	(46,127)	(99 5)%	98,549	144,700	(46,151)	(31 9)%	144,700
<b>Total Other Revenues</b>	<b>\$ 17,874,500</b>	<b>\$ 12,189,522</b>	<b>\$ 5,684,978</b>	<b>46 6 %</b>	<b>\$ 25,367,559</b>	<b>\$ 26,855,866</b>	<b>\$ (1,488,307)</b>	<b>(5 5)%</b>	<b>\$ 26,855,866</b>

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

**STATE OF MAINE**

**Undedicated Revenues - General Fund**

**For the Twelfth Month Ended June 30, 2020 and 2019**

**For the Fiscal Year Ending June 30, 2020 and 2019**

**All Other Comparison to To Prior Year**

**Exhibit IV**

**PRELIMINARY AND TENTATIVE  
FOR VERIFICATION PURPOSES & INTERNAL USE ONLY**

	Month				Fiscal Year to Date			
	Current Year	Prior Year	Variance Over(Under)	Percent Over(Under)	Current Year	Prior Year	Variance Over(Under)	Percent Over(Under)
<u>Detail of Other Taxes &amp; Fees</u>								
0100s All Others	\$ 3,113,844	\$ 2,283,639	\$ 830,205	36 4 %	\$ 31,687,096	\$ 35,829,100	\$ (4,142,004)	(11 6)%
0300s Aeronautical Gas Tax	18,349	24,750	(6,401)	(25 9)%	261,883	278,086	(16,203)	(5 8)%
0400s Alcohol Excise Tax	1,644,752	1,922,847	(278,095)	(14 5)%	17,877,979	19,973,906	(2,095,927)	(10 5)%
0700s Corporation Taxes	3,643,235	1,363,702	2,279,534	167 2 %	11,777,263	10,759,676	1,017,587	9 5 %
0800s Public Utilities	-	160,344	(160,344)	(100 0)%	6,418,268	6,317,492	100,776	1 6 %
1000s Banking Taxes	3,269,600	2,752,200	517,400	18 8 %	27,952,210	29,082,500	(1,130,290)	(3 9)%
1100s Alcoholic Beverages	323,470	789,493	(466,023)	(59 0)%	7,256,037	6,702,124	553,913	8 3 %
1200s Amusements Tax	1,000	-	1,000	- %	8,000	-	8,000	- %
1300s Harness Racing Pari-mutuel	2,023	789,824	(787,800)	(99 7)%	6,544,936	8,468,389	(1,923,453)	(22 7)%
1400s Business Taxes	1,677,393	1,218,108	459,286	37 7 %	7,978,397	11,190,663	(3,212,266)	(28 7)%
1500s Motor Vehicle Licenses	691,025	593,776	97,249	16 4 %	4,159,919	4,451,133	(291,214)	(6 5)%
1700s Inland Fisheries & Wildlife	1,700,780	2,265,694	(564,914)	(24 9)%	16,508,826	16,276,491	232,335	1 4 %
1900s Other Licenses	51,129	47,361	3,769	8 0 %	713,697	781,211	(67,514)	(8 6)%
Total Other Taxes & Fees	\$ 16,136,601	\$ 14,211,736	\$ 1,924,865	13 5 %	\$ 139,144,510	\$ 150,110,769	\$ (10,966,259)	(7 3)%
<u>Detail of Other Revenues</u>								
2200s Federal Revenues	\$ -	\$ 26,795	\$ (26,795)	(100 0)%	\$ 75,909	\$ 120,264	\$ (44,354)	(36 9)%
2300s County Revenues	-	-	-	- %	-	-	-	- %
2400s Revenues from Cities and Towns	125,460	92,079	33,381	36 3 %	269,985	357,641	(87,656)	(24 5)%
2500s Revenues from Private Sources	284,235	123,015	161,220	131 1 %	1,890,831	1,584,080	306,751	19 4 %
2600s Current Service Charges	5,927,726	1,930,304	3,997,422	207 1 %	29,192,130	25,421,681	3,770,450	14 8 %
2700s Transfers from (to) Other Funds	11,536,860	11,295,043	241,817	2 1 %	(6,159,846)	(13,454,060)	7,294,213	54 2 %
2800s Sales of Property & Equipment	220	9,157	(8,937)	(97 6)%	98,549	155,640	(57,091)	(36 7)%
Total Other Revenues	\$ 17,874,500	\$ 13,476,392	\$ 4,398,108	32 6 %	\$ 25,367,559	\$ 14,185,246	\$ 11,182,313	78 8 %

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

**STATE OF MAINE**

**Undedicated Revenues - Highway Fund**

**For the Twelfth Month Ended June 30, 2020**

**For the Fiscal Year Ending June 30, 2020**

**Comparison to Budget**

**Exhibit V**

**PRELIMINARY AND TENTATIVE  
FOR VERIFICATION PURPOSES & INTERNAL USE ONLY**

	Month				Fiscal Year to Date				Total Budgeted Fiscal Year Ending 6/30/2020
	Actual	Budget	Variance Over(Under)	Percent Over(Under)	Actual	Budget	Variance Over(Under)	Percent Over(Under)	
Fuel Taxes	\$ 15,626,960	\$ 19,910,810	\$ (4,283,850)	(21.5)%	\$ 218,970,635	\$ 235,076,450	\$ (16,105,815)	(6.9)%	\$ 235,076,450
Motor Vehicle Registration & Fees	8,099,111	5,776,014	2,323,097	40.2 %	90,648,098	92,541,913	(1,893,815)	(2.0)%	92,541,913
Motor Vehicle Inspection Fees	344,263	200,208	144,055	72.0 %	3,120,970	3,202,500	(81,531)	(2.5)%	3,202,500
Miscellaneous Taxes & Fees	178,386	149,955	28,431	19.0 %	1,280,909	1,368,729	(87,820)	(6.4)%	1,368,729
Fines, Forfeits & Penalties	29,087	19,965	9,122	45.7 %	899,735	606,412	293,323	48.4 %	606,412
Earnings on Investments	20,815	44,093	(23,278)	(52.8)%	257,790	313,070	(55,280)	(17.7)%	313,070
All Other	662,254	831,082	(168,828)	(20.3)%	11,998,433	12,222,250	(223,817)	(1.8)%	12,222,250
Total Collected	\$ 24,960,876	\$ 26,932,127	\$ (1,971,251)	(7.3)%	\$ 327,176,570	\$ 345,331,324	\$ (18,154,754)	(5.3)%	\$ 345,331,324

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

**STATE OF MAINE****Undedicated Revenues - Highway Fund****For the Twelfth Month Ended June 30, 2020 and 2019****For the Fiscal Year Ending June 30, 2020 and 2019****Comparison to To Prior Year****Exhibit VI****PRELIMINARY AND TENTATIVE  
FOR VERIFICATION PURPOSES & INTERNAL USE ONLY**

	Month				Fiscal Year to Date			
	Current Year	Prior Year	Variance Over(Under)	Percent Over(Under)	Current Year	Prior Year	Variance Over(Under)	Percent Over(Under)
Fuel Taxes	\$ 15,626,960	\$ 19,855,551	\$ (4,228,591)	(21.3)%	\$ 218,970,635	\$ 231,586,428	\$ (12,615,793)	(5.4)%
Motor Vehicle Registration & Fees	8,099,111	6,393,800	1,705,310	26.7 %	90,648,098	96,930,631	(6,282,532)	(6.5)%
Motor Vehicle Inspection Fees	344,263	356,295	(12,033)	(3.4)%	3,120,970	3,324,510	(203,541)	(6.1)%
Miscellaneous Taxes & Fees	178,386	165,481	12,905	7.8 %	1,280,909	1,508,539	(227,630)	(15.1)%
Fines, Forfeits & Penalties	29,087	52,170	(23,082)	(44.2)%	899,735	610,373	289,362	47.4 %
Earnings on Investments	20,815	235,971	(215,156)	(91.2)%	257,790	893,027	(635,237)	(71.1)%
All Other	662,254	658,588	3,666	0.6 %	11,998,433	11,640,306	358,127	3.1 %
Total Collected	\$ 24,960,876	\$ 27,717,856	\$ (2,756,980)	(9.9)%	\$ 327,176,570	\$ 346,493,814	\$ (19,317,243)	(5.6)%

NOTE: This report has been prepared from preliminary month end figures and is subject to change.





# MRS Office of Tax Policy Presentation for July 2020 Revenue Forecast



# Sales & Use Tax



# Sales & Use Tax: Annual Growth and Forecast Revision

Fiscal Year	Actual	March Forecast	July Forecast	Revision (\$million)	Revision %
2017-18	6.5%				
2018-19	5.6%				
2019-20	3.5%	7.6%		-\$61.8	-3.8%
2020-21		4.8%	-6.3%	-\$238.0	-14%
2021-22		4.6%	11.2%	-\$151.9	-8.6%
2022-23		4.0%	5.6%	-\$131.3	-7.1%

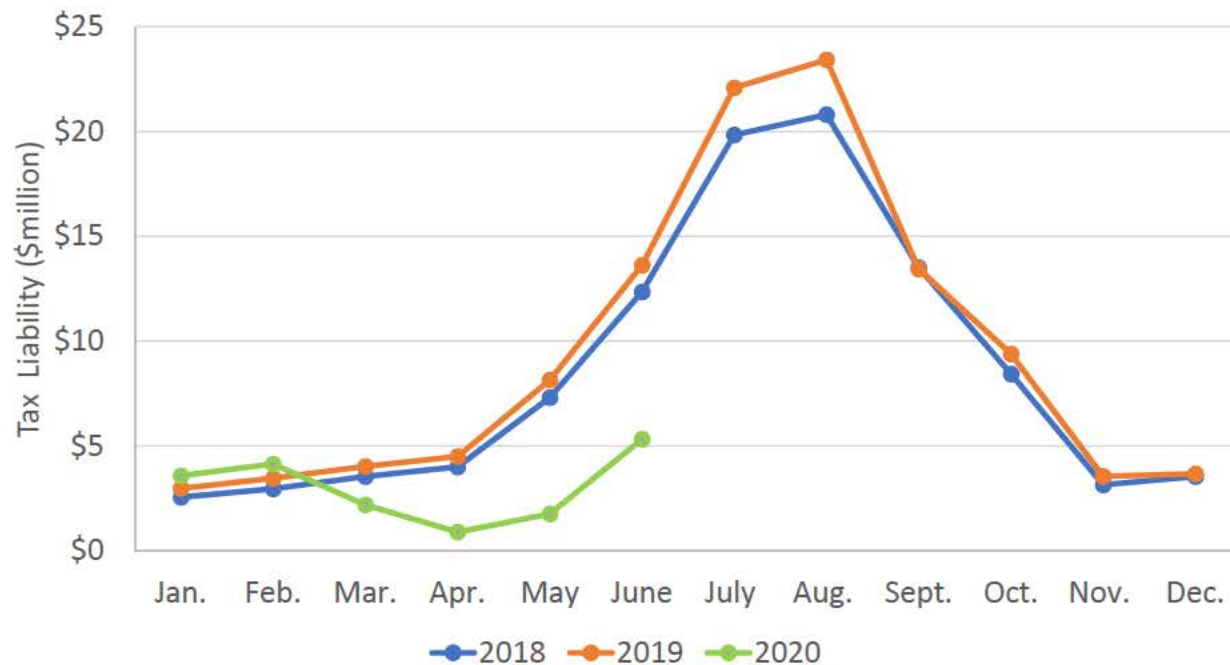
# Sales Tax: Main Points

- Prepared foods and lodging taxes account for about 2/3 of both the negative variance in FY 2020 sales and use tax and  $\approx$  60% of the FY 21 forecast revision to sales and use tax.
- Excluding prepared food and lodging, non-marketplace taxable sales are close to flat YoY for April – June sales.
- Auto sales tax revenue forecast decline faster than overall sales ex-meals and lodging in FY 21 due to CEFC forecast of new registrations.
- The change to both the personal income and savings rate forecasts reduce forecast revenue from PCE; the employment forecast reduces forecast of revenue from business purchases.
- Unusually large uncertainty on both upside and downside.

# Sales Tax: Data Notes

- Data for June sales is a preliminary estimate and small adjustments have been applied to the June data.
  - Data for returns processed through 7/26
  - Data window= returns processed by 10<sup>th</sup> day of second month following the end of the account period
  - June 20 range = Liability to date multiplied by min and max ratio of sales through the data window to sales through the 26<sup>th</sup> of the month following the end of the account period from 1/19 to 5/20

# Rental of Lodging Sales Tax



CY 2019 liability = \$112.3 million

Share of total CY 2019 sales & use tax = 7.3%

CY 2019 Share of Taxable Sales by Quarter:

1	9.3%
2	23.4%
3	52.5%
4	14.8%

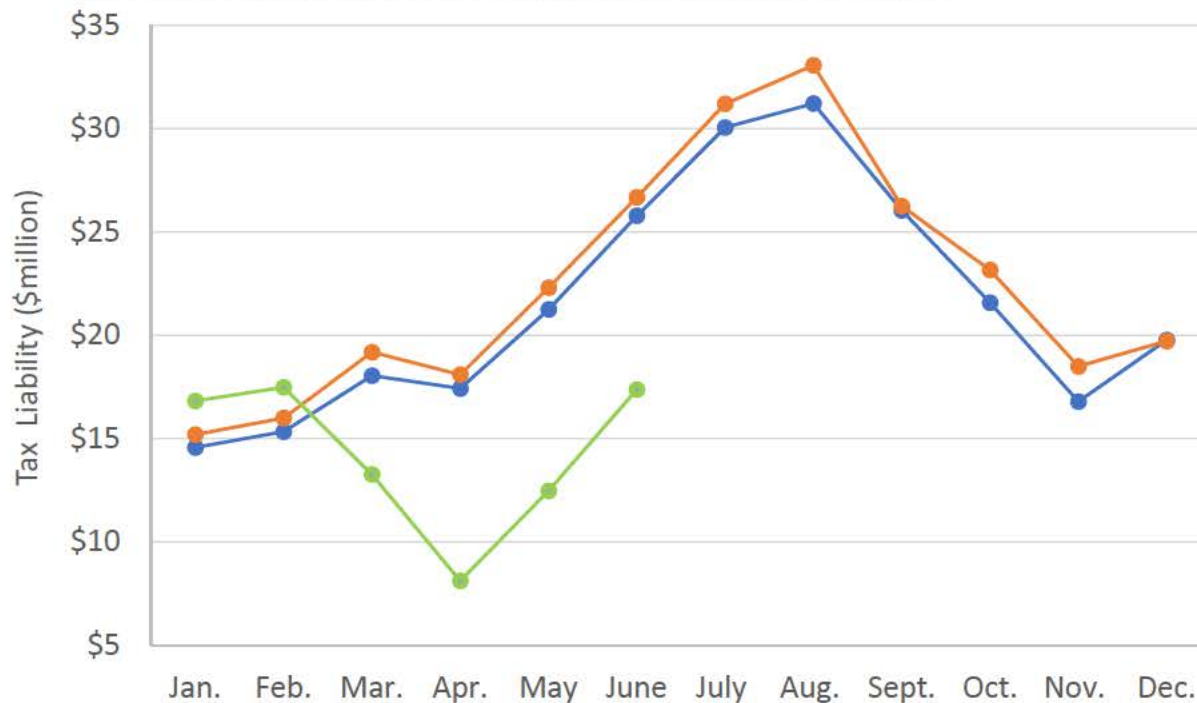
YoY Growth, 2020

July 19 – Feb.20	Mar.	April	May	June	April – June
10.0%	-45.6%	-80.2%	-78.5%	-60.5% to -61.3%	-69.5% to -69.9%



# Prepared Foods Sales Tax

Includes sales at both restaurants and food stores



## YoY Growth, 2020

— 2018 — 2019 — 2020

July 19 – Feb.20	Mar.	April	May	June	April – June
5.4%	-30.9%	-55.2%	-44.1%	-35.9% to -33.9%	-43.8% to -43.0%

CY 2019 liability = \$269.4 million

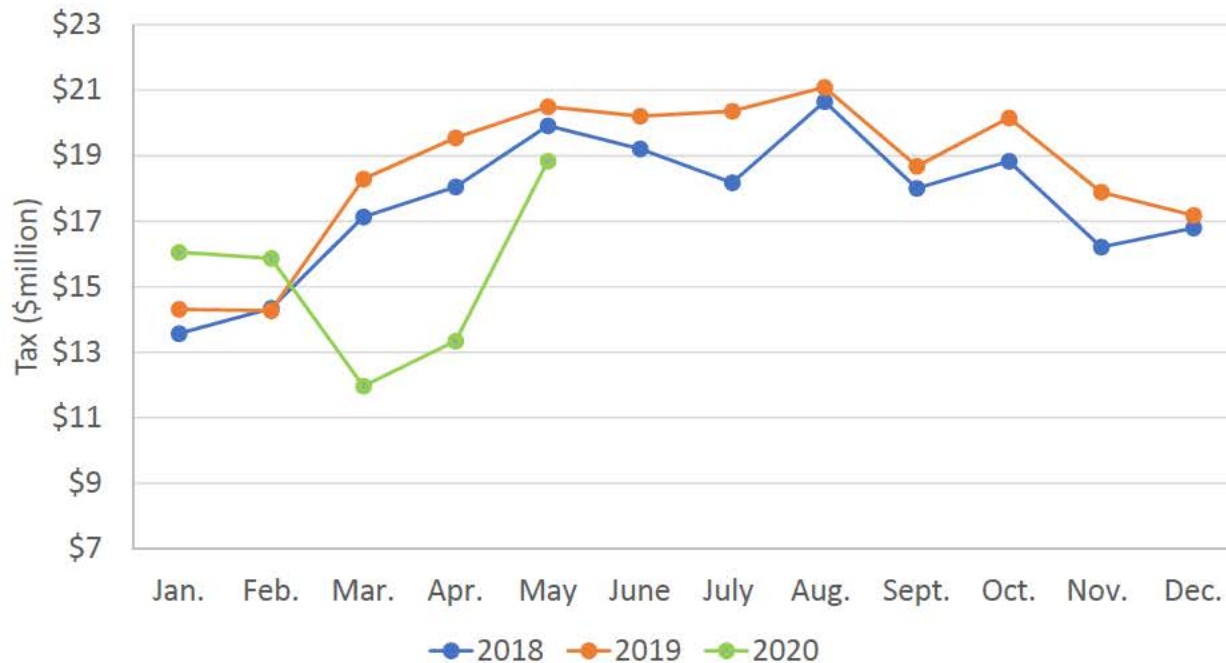
Share of total CY 2019 sales & use tax = 17.5%

CY 2019 Share of Taxable Sales by Quarter:

1	18.7%
2	24.9%
3	33.6%
4	22.8%

# Auto Dealer & Lease Sales Tax

Includes use tax paid on auto sales



CY 2019 liability = \$222.5 million

Share of total CY 2019 sales & use tax = 14.5%

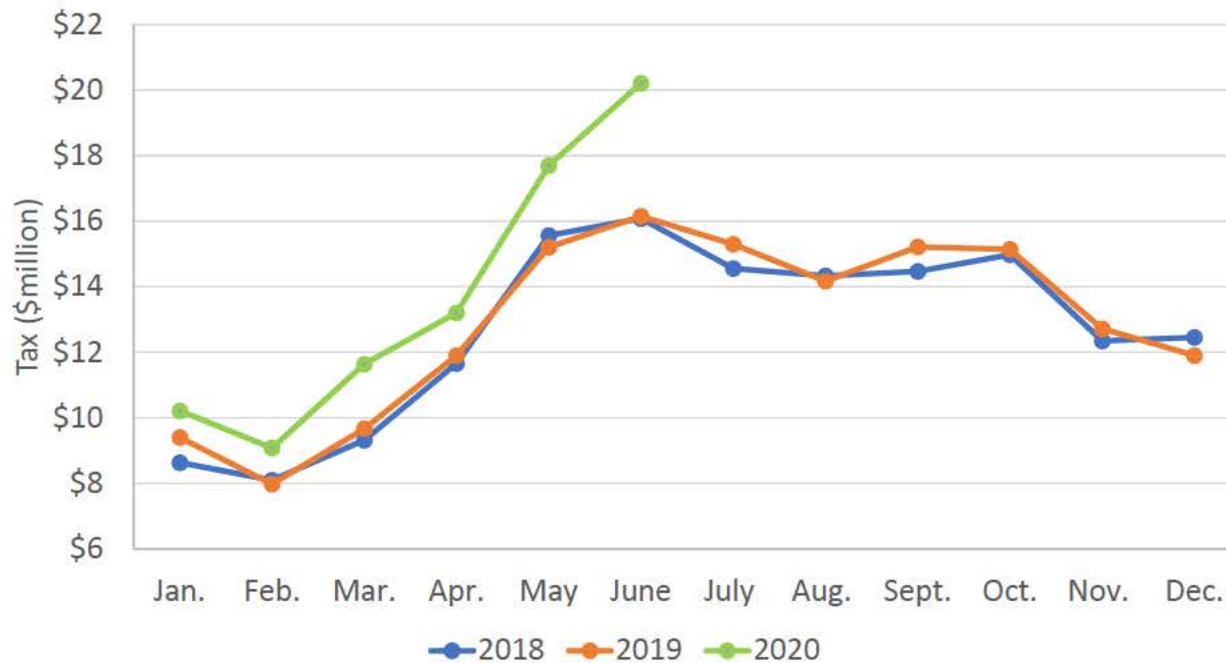
CY 2019 Share of Taxable Sales by Quarter:

1	21.1%
2	27.1%
3	27.0%
4	24.8%

YoY Growth, 2020

July 19 – Feb.20	Mar.	April	May
7.3%	-34.6%	-31.7%	-8.1%

# Building Supply Stores Sales Tax



CY 2019 liability = \$154.7 million

Share of total CY 2019 sales & use tax = 10.1%

CY 2019 Share of Taxable Sales by Quarter:

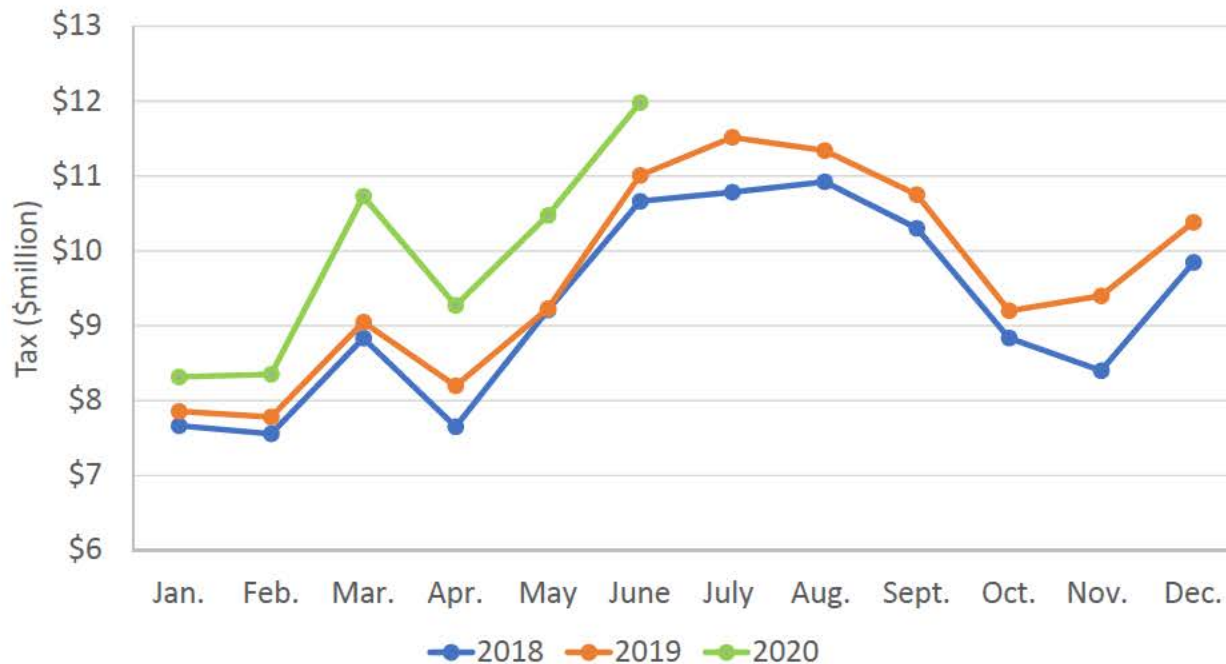
1	17.5%
2	28.0%
3	28.9%
4	25.7%

## YoY Growth, 2020

July 19 – Feb.20	Mar.	April	May	June	April – June
3.2%	20.4%	10.9%	16.4%	22.6% to 27.7%	17.2% to 19.1%

# Food Store Sales Tax

Sales taxed at 5.5% only



CY 2019 liability = \$115.7 million

Share of total CY 2019 sales & use tax = 7.5%

CY 2019 Share of Taxable Sales by Quarter:

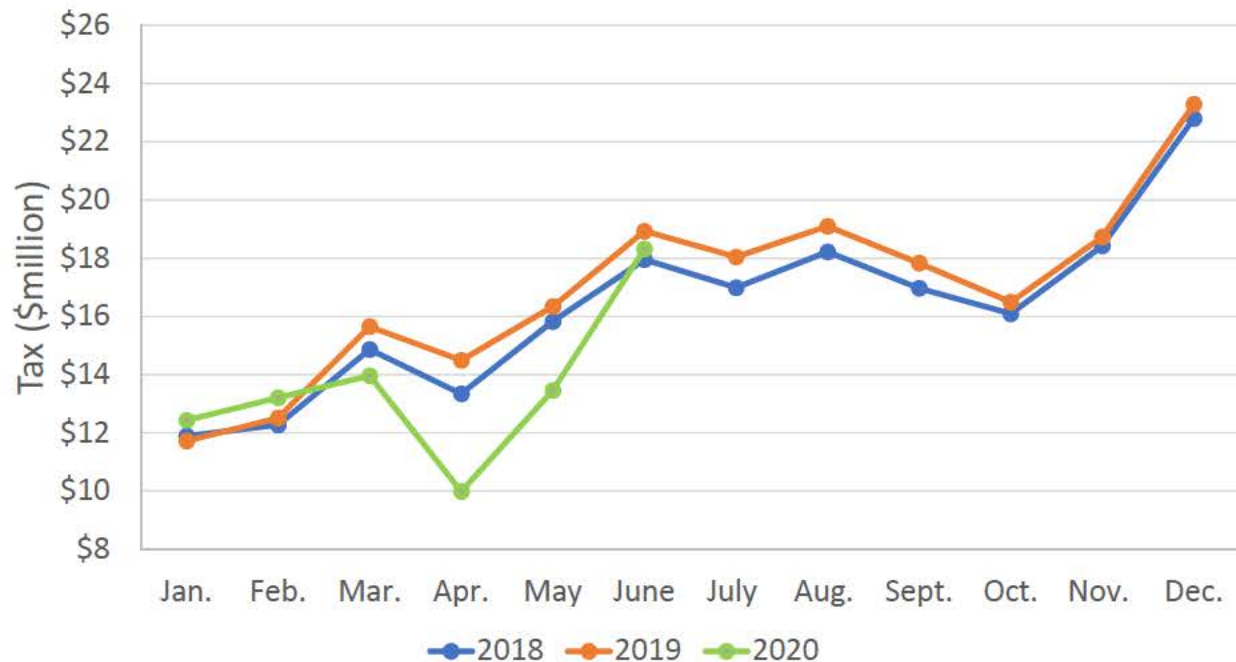
1	21.3%
2	24.6%
3	29.0%
4	25.0%

## YoY Growth, 2020

July 19 – Feb.20	Mar.	April	May	June	April – June
6.1%	18.6%	13.1%	13.5%	8.5% to 9.1%	11.5% to 11.7%

# General Merchandise Sales Tax

Sales taxed at 5.5% only



CY 2019 liability = \$203.1 million

Share of total CY 2019 sales & use tax = 13.2%

CY 2019 Share of Taxable Sales by Quarter:

1	19.6%
2	24.5%
3	27.1%
4	28.8%

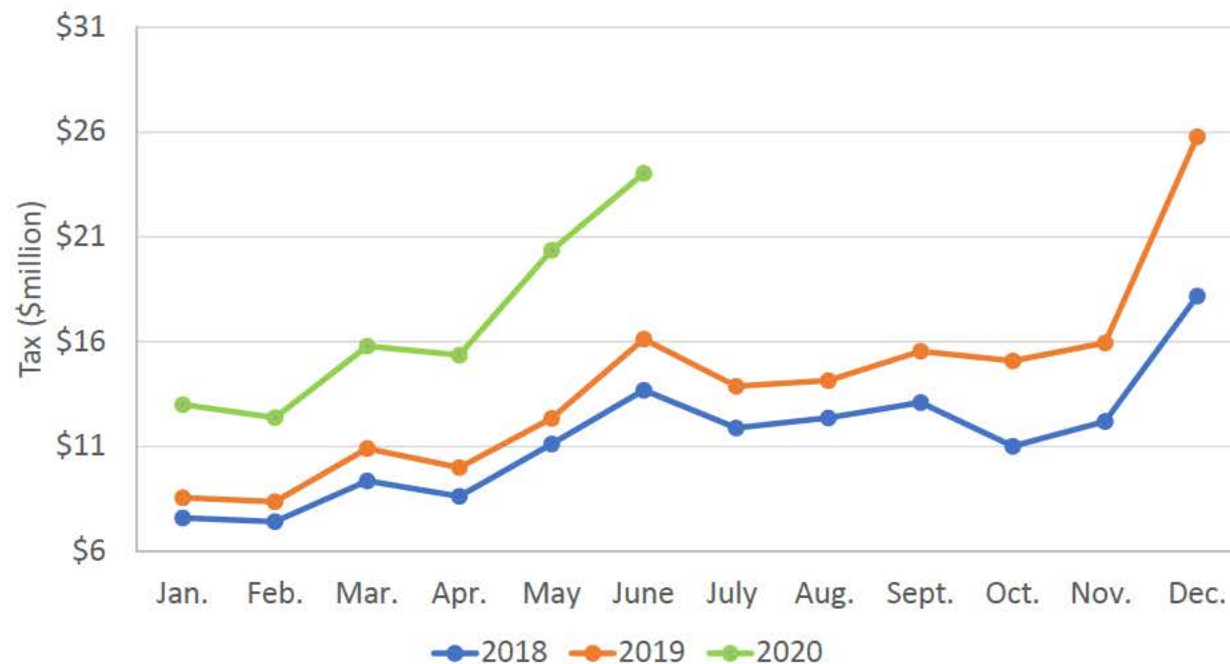
## YoY Growth, 2020

July 19 – Feb.20	Mar.	April	May	June	April – June
4.0%	-10.8%	-31.1%	-17.6%	-3.5% to -2.9%	-16% to 16.2%



# Other Retail

Sales taxed at 5.5% only



CY 2019 liability = \$166.7 million

Share of total CY 2019 sales & use tax = 10.8%

CY 2018 Share of Taxable Sales by Quarter:

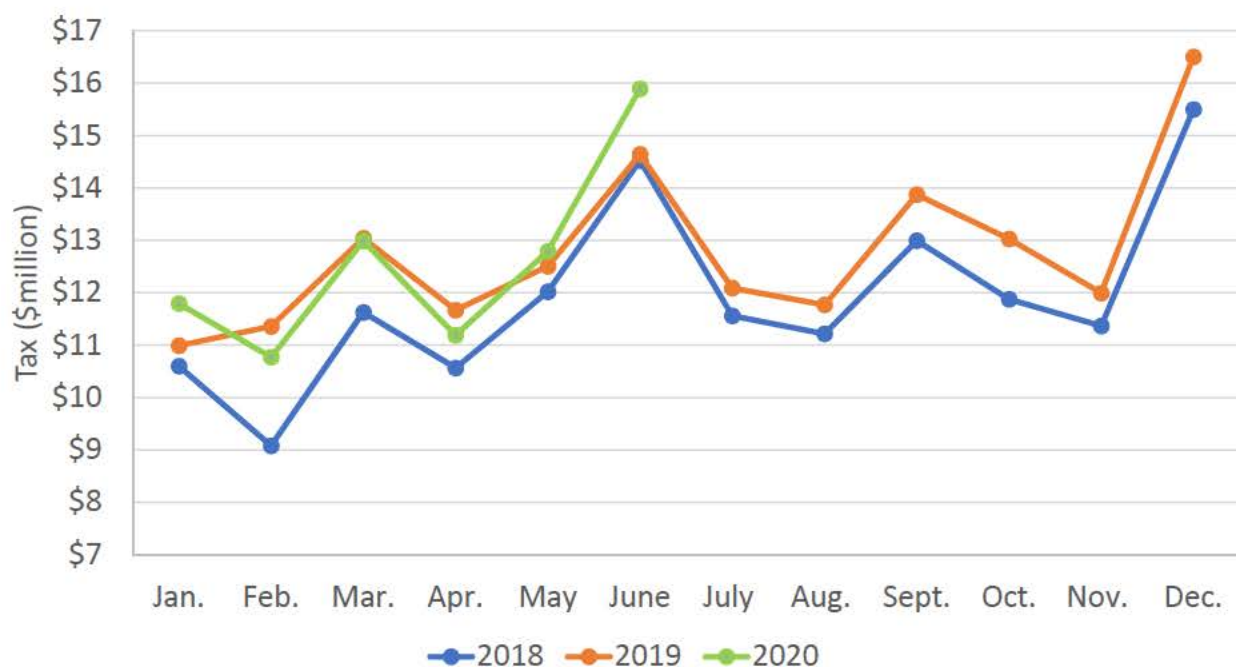
1	17.8%
2	24.5%
3	27.4%
4	30.3%

YoY Growth, 2020

July 19 – Feb.20	Mar.	April	May	June	April – June
31.5%	44.8%	53.7%	64.9%	48.4% to 49.7%	55.1% to 55.6%

# Business Operations and Use Tax

Excludes individual use tax and use tax paid on auto, watercraft, and recreational vehicle sales



CY 2019 liability = \$153.5 million

Share of total CY 2019 sales & use tax = 10%

CY 2019 Share of Taxable Sales by Quarter:

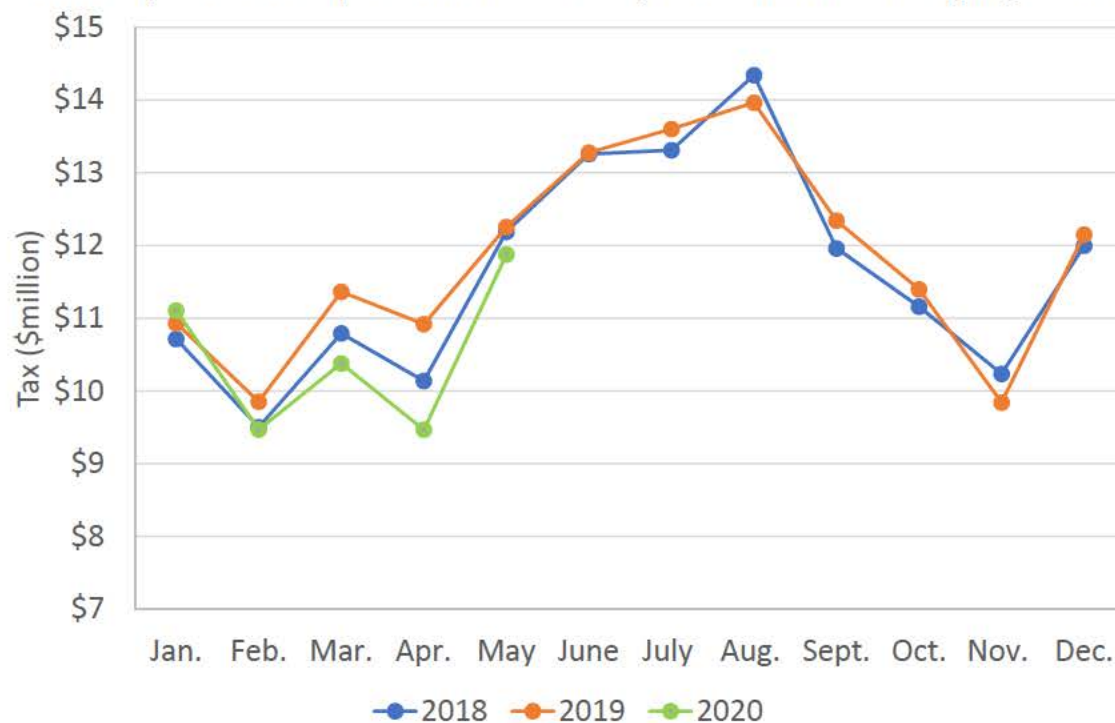
1	23.1%
2	25.3%
3	24.6%
4	27.1%

## YoY Growth, 2020

July 19 – Feb.20	Mar.	April	May	June	April – June
5.1%	-0.4%	-4.1%	2.3%	7.9% to 9.2%	2.5% to 3%

## Miscellaneous: All other 5.5% tax

utilities, auto except dealer & lease, restaurant & lodging 5.5%



### YoY Growth, 2020

July 19 – Feb.20	Mar.	April	May
0.1%	-8.7%	-13.3%	-3.1%

CY 2019 liability = \$141.9 million

Share of total CY 2019 sales & use tax = 9.2%

CY 2019 Share of Taxable Sales by Quarter:

1	22.7%
2	25.7%
3	28.1%
4	23.5%



# Individual Income Tax



# Individual Income Tax: Annual Growth and Forecast Revision

Fiscal Year	Actual	March Forecast	July Forecast	Revision (\$million)	Revision %
2017-18	6.5%				
2018-19	5.6%				
2019-20*	7.9%	7.6%		\$25.7	
2020-21		4.8%	-13.5%	-\$260.3	-14.1%
2021-22		4.6%	3.4%	-\$283.3	-14.7%
2022-23		4.0%	2.8%	-\$317.5	-15.8%

\*Without 1040 estimated and final payment accruals FY 20 growth would have been -14.1% and FY 21 growth would be forecast to be 17%.

# Individual Income Tax: Main Points

- Timing issues related to filing and payment deadline delays and accruals of delayed payments increase FY 2020 revenue and reduce FY 2021 revenue.
- The evolution of wage income and unemployment insurance compensation are key to understanding why the downward forecast revision grows over time.
- Business income and capital gains contribute to the downward revisions. The relatively strong stock market performance YTD and the effect of the PPP on business income reduce the magnitude of these forecast revisions compared to what otherwise may be expected given economic conditions.
- A decline in IRA distributions due to the suspension of required minimum distributions in 2020 reduces FY 2021 revenue.

# Individual Income Tax: FY 20/21 Timing Issues

- Deadline for 1<sup>st</sup> and 2<sup>nd</sup> estimated payment for 2020 moved from FY 2020 to 7/15/21.
- Deadline for 2019 final payment moved from 4/15/2020 to 7/15/21.
- Accruals zeroed out the variance in final and estimated payments in FY 2020. These FY 2020 accruals were reversed in July.

# July 2020 Variance Due to Timing/Accruals

(\$million)

	FY 2020 Accrual	July revenue if no extension (budget)	July collections, estimate*	July variance due to timing, estimate**
Estimated Payments	\$67.5	\$7.3	\$60	-\$13.3
Final Payments	\$190.5	\$9	\$167	-\$31
Refunds		-\$8.9	-\$24.9	-\$16
Fiduciary		\$.3	\$7.1	\$6.8
Total				-\$53.5

July variance due to timing = July 2020 variance that would have been recognized in FY 20 if payment and filing deadlines were unchanged.

\*Actual through 7/24 plus an estimate of revenue in last week of July.

\*\*Assumes July 2020 final and estimated payments w/o timing issues would equal budgeted collections multiplied by ratio of July collections to the accrual + July budgeted collections.

# Individual Income Tax: Withholding

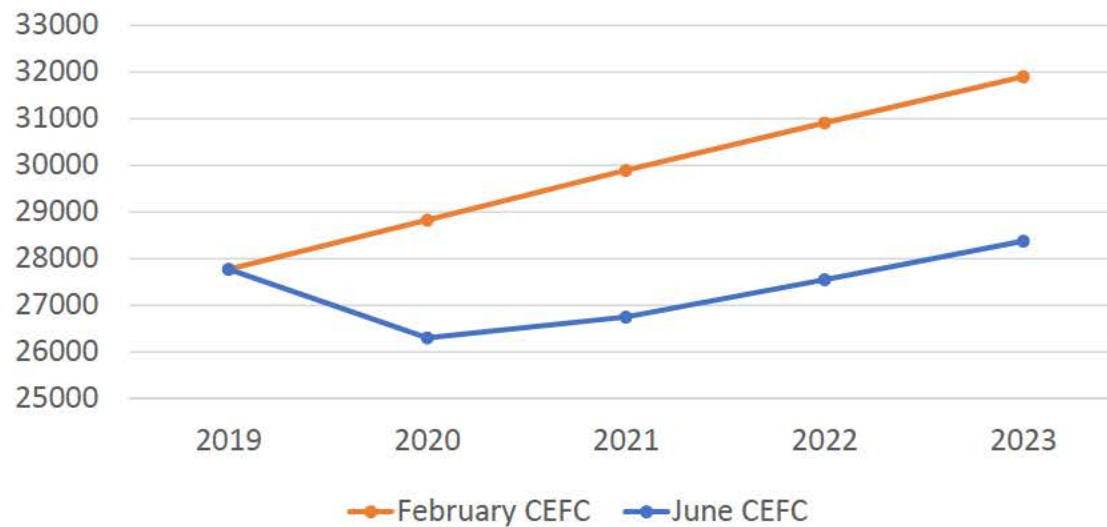
(\$million)

	FY 2019	FY 2020	Growth
July - February	\$953.3	\$1,010.8	6.0%
March	\$118.5	\$130.8	10.4%
April	\$121.6	\$123.7	1.7%
May	\$129.1	\$130.4	1.1%
June	\$104.7	\$118.6	13.3%
April – June*	\$355.4	\$372.8	4.9%
Fiscal year total	\$1,427.2	\$1,514.4	6.1%

\*Without unemployment insurance withholding, April - June withholding growth would have been approximately -2.4%.

FY 2020 withholding was \$11.6 million over budget.

# Individual Income Tax: Resident 1040 Wages (\$million)

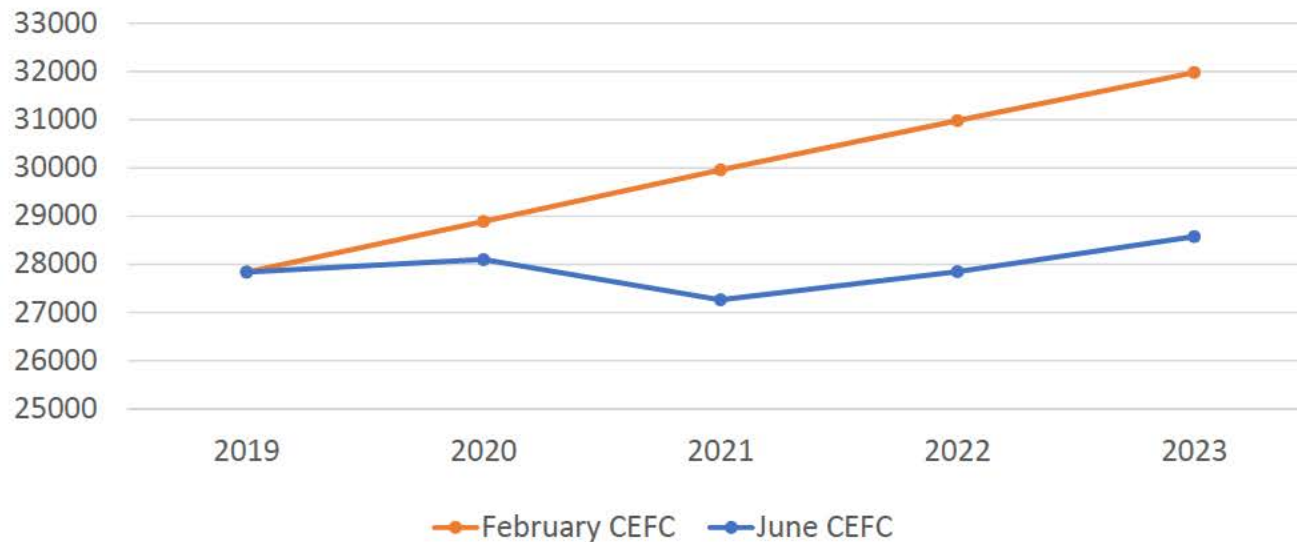


	2020	2021	2022	2023
February CEFC, annual change	4.1%	3.7%	3.4%	3.2%
June CEFC, annual change	-5%	2%	3%	3%
June wages relative to Feb.	-8.7%	-10.2%	-10.5%	-10.7%



# Individual Income Tax: Resident 1040 Wages + Unemployment Insurance Income

(\$million)



	2020	2021	2022	2023
June wages relative to Feb.	-8.7%	-10.2%	-10.5%	-10.7%
June wages + UI relative to Feb.	-2.7%	-9%	-10.1%	-10.6%
Unemployment rate forecast	8%	5.7%	4.3%	3.7%

# Individual income tax: Business Income

Nonfarm Proprietor's Income	2020	2021	2022	2023
February CEFC, annual change	3%	3.2%	3.3%	2.5%
June CEFC, annual change	-3%	3.2%	3.3%	2.5%
June income relative to Feb.	-6.3%	-6.3%	-6.3%	-6.3%

Risk: Loss carryforwards could depress business income growth as the economy recover.

Sole proprietor and pass-through income grow slower relative to nonfarm proprietor's income than the last forecast due to loss carryforwards and concern that S-Corp income growth could be particularly depressed given CEFC forecast of corporate profits.

# Individual Income Tax: Distribution of PPP Loans in Maine

(\$million)

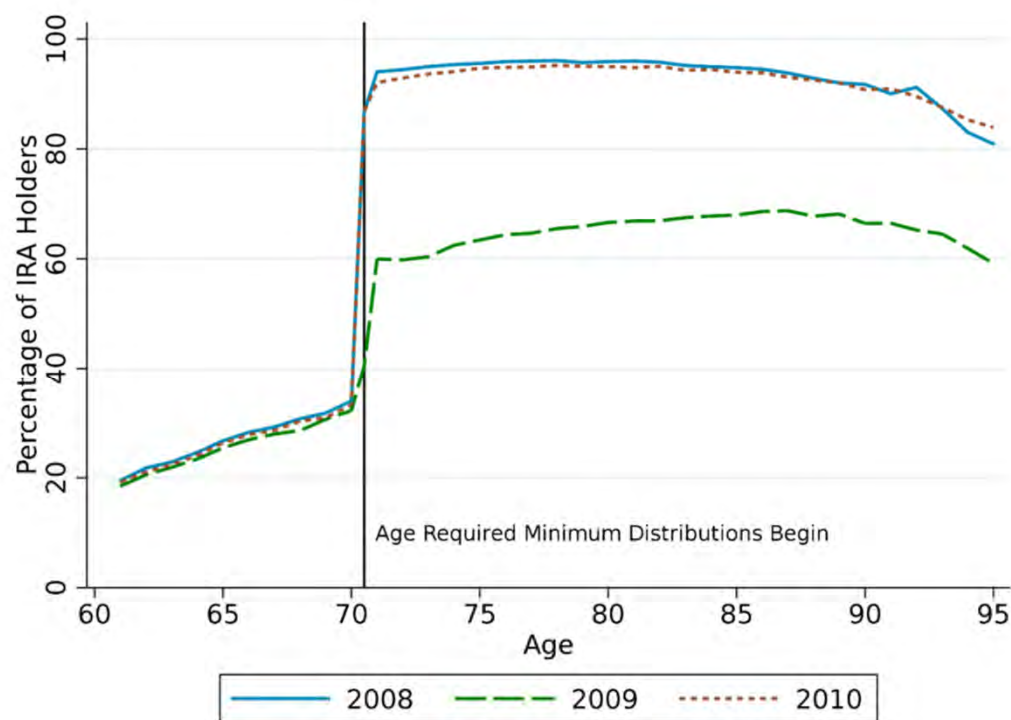
Entity Type	Loan Amount
Corporation	\$715.4
S-Corp	\$632.1
LLC	\$433.0
Partnership	\$49.2
Sole Prop/self-employed/independent contractor	\$99.8
Nonprofit	\$290.2
Other	\$22.5
Total	\$2,242.1

# Individual income tax: Capital Gains

	2020	2021	2022	2023
Annual growth:				
March RFC	-1.9%	-5.5%	-3.2%	-1.3%
July RFC	-13.1%	-10%	3.2%	3.6%
Current forecast relative to March forecast	-11.4%	-15.6%	-9.9%	-5.3%
Revision to liability (\$million), residents	-\$22.3	-\$26.7	-\$15.9	-\$8.1

# Individual Income Tax: IRA Distributions

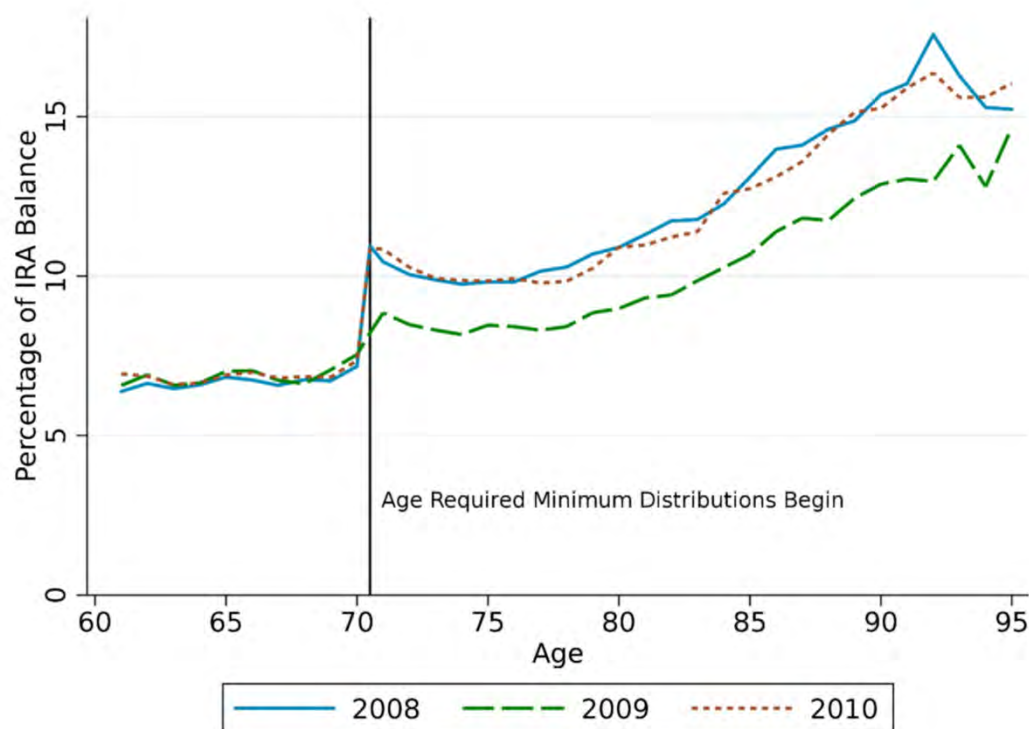
## Percentage of IRA Holders Taking Withdrawals by Age



Source: Joint Committee on Taxation, "Estimating the Effects of the Required Minimum Distribution Rules on Withdrawals From Individual Retirement Arrangements," JCX-5-2019, February 22, 2018. Figure 4.

# Individual Income Tax: IRA Distributions

## Size of IRA Withdrawals by Age



Source: Joint Committee on Taxation, "Estimating the Effects of the Required Minimum Distribution Rules on Withdrawals From Individual Retirement Arrangements," JCX-5-2019, February 22, 2018. Figure 5.

# Individual Income Tax: Miscellaneous

- Opportunity Maine
- Nonresidents
- Fiduciary





# Corporate Income Tax



# Corporate Income Tax: Annual Growth and Forecast Revision

Fiscal Year	Actual	March Baseline	July Forecast	Revision (\$million)	Revision %
2017-18	6.0%				
2018-19	36.1%				
2019-20	-14.5%	-14.1%			
2020-21		-2.6%	-18.2%	-\$34.67	-16.4%
2021-22		.1%	4.0%	-\$27.82	-13.1%
2022-23		1.5%	4.1%	-\$23.56	-11.0%



# Other Taxes

Real estate transfer tax  
Cigarette, Tobacco, and Marijuana Excise Taxes  
Service Provider Tax  
Estate Tax  
Insurance Premiums



# Real estate transfer tax

- Positive FY 20 variance of \$2.6 million >100% explained by abnormally high revenue from transfer of controlling interest
- Downward revision caused by CEFC downward revision of homes sales and median home price forecasts

## Revision to General Fund RETT, Fiscal Year

2021	2022	2023
-\$1,600,000	-\$1,125,000	-\$525,000

# Estate Tax

## Revision to Estate Tax Forecast, Fiscal Year

2021	2022	2023
\$250,000	\$1,500,000	\$1,800,000

- Lower inflation forecast reduces the indexed exemption and increases revenue.



# Cigarette, Tobacco, and Marijuana Excise Taxes

- FY 20 negative variances for both cigarette (-\$800k) and tobacco taxes (-\$1.3 million) result in negative adjustment to forecast. Tobacco products tax revision  $\approx$  -\$2.4 million per year.
- FY 21 marijuana excise tax revenue: downward revision of \$1.65 million due to delayed rollout; forecast unchanged after FY 21.

# Service Provider Tax

- Positive FY 20 variance of \$1 million
- Increase forecast years by \$1 million

# BETE and BETR

- BETR
  - Positive variance of \$1.6 million in FY 20
  - Increase estimate (smaller refunds) by same amount going forward
- BETE
  - Positive variance of \$560,000 in FY 21
  - Upward revision (smaller BETE transfer) of \$500,00 in FY 21 and \$1 million in FY 22 and 23

# Insurance Premiums

	2020	2021	2022	2023
<b>Insurance Premiums Tax (901)</b>				
March Baseline	\$73,090,500	\$78,950,000	\$82,800,000	\$83,250,000
Variance	\$4,905,432	\$350,000	\$350,000	\$350,000
July Forecast	\$77,995,932	\$79,300,000	\$83,150,000	\$83,600,000

- Baseline growth attributable to reduction in refundable credits claimed against premiums tax.
- Assuming TY 20 liability gross of refundable credits falls 2% and that most of the first two 2020 estimated payments are based on TY 2019 liability.
- Also revising unauthorized insurance companies tax up by \$50,000/year.

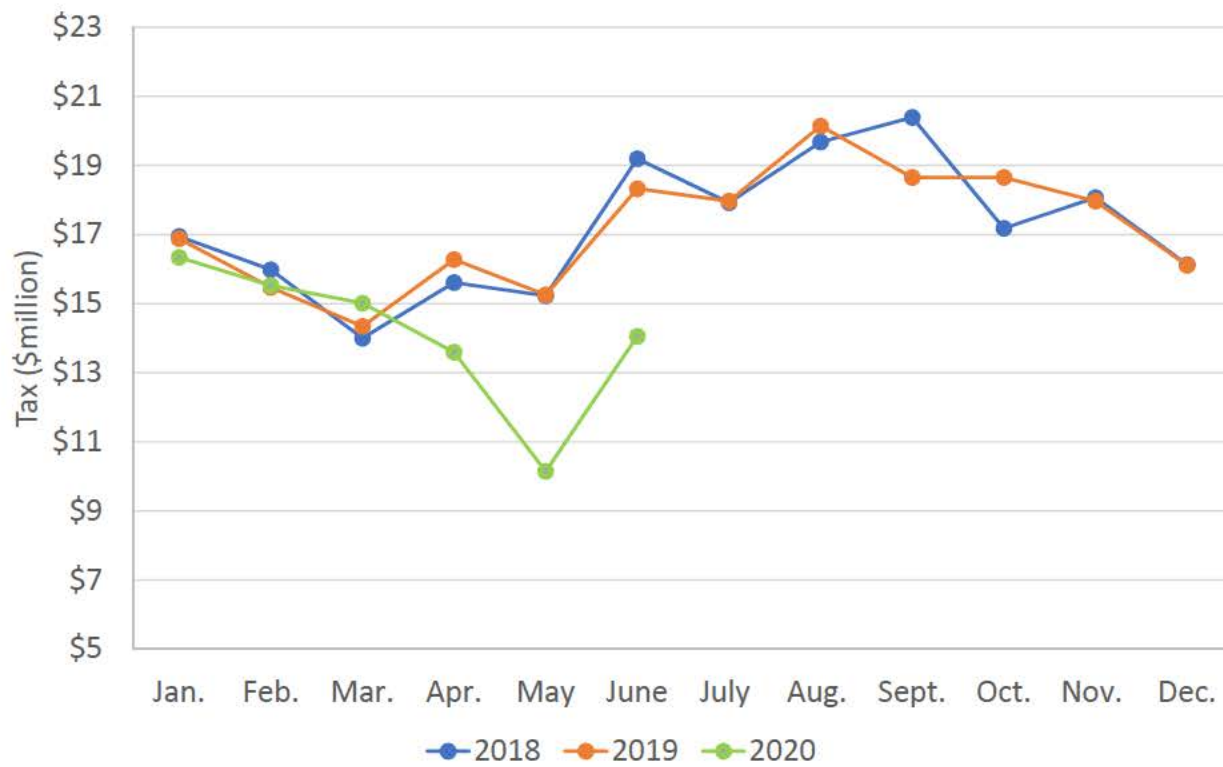
# Motor Fuels Taxes



# Gas Tax

Fiscal Year	Actual	March Forecast	July Forecast	Revision (\$million)	Revision %
2017-18	2.4%				
2018-19	-.2%				
2019-20	-5.7%	1.3%		-\$14.4	-6.9%
2020-21		1%	-6.3%	-\$28.6	-13.6%
2021-22		1%	10.1%	-\$12.3	-5.8%
2022-23		1%	.9%	-\$12.6	-5.9%

# Gas Tax



## YoY Revenue Growth

July 19 – March 20	.2%
April 20	-16.5%
May 20	-33.5%
June 20 (w/o accruals)	-22.4%



# Special Fuels

Fiscal Year	Actual	March Forecast	July Forecast	Revision (\$million)	Revision %
2017-18	-14.3%				
2018-19	14.9%				
2019-20	-4.4%	2.5%			-6.7%
2020-21		1%	-1%	-\$4.4	-8.6%
2021-22		1%	2.2%	-\$3.9	-7.5%
2022-23		1%	1.8%	-\$3.6	-6.8%





## **APPENDIX G**

### **Other Background Materials**

#### **Table of Contents**

Hollywood Casino Bangor.....	G-1
Oxford Casino.....	G-2
Milk Handling Fee and Transfers to Maine Milk Pool.....	G-3
Medicaid/MaineCare Dedicated Revenue Detail.....	G-5



# Revenue Forecasting Committee - August 2020 - Hollywood Casino Bangor

GENERAL FUND REVENUE		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Current Forecast - General Fund Revenue						\$6,584,116	\$6,650,957	\$6,718,466
Incremental Effect of August 2020 Forecast						(\$3,867,230)	(\$2,259,516)	(\$450,775)
August 2020 Forecast - Revised General Fund Revenue						\$2,716,886	\$4,391,441	\$6,267,691
FUND FOR A HEALTHY MAINE REVENUE		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Current Forecast - Fund for a Healthy Maine Revenue						\$3,918,820	\$3,958,008	\$3,997,588
Incremental Effect of August 2020 Forecast						(\$2,234,064)	(\$1,226,125)	(\$293,141)
August 2020 Forecast - Fund for a Healthy Maine Revenue						\$1,684,756	\$2,731,883	\$3,704,447
Detail of Current Revenue Forecast - Distribution of Total Income								
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Gross Slot Income (Coin/Voucher In)	A	\$424,866,793	\$388,342,798	\$401,502,720	\$306,360,214	\$210,594,468	\$316,681,432	\$404,893,268
Player's Share (Payback Value)	B	\$382,622,680	\$347,350,214	\$360,985,384	\$276,210,244	\$191,640,966	\$286,195,790	\$363,799,865
3% Distribution to City of Bangor (.03*(A-B))	3.0%	\$1,267,323	\$1,229,778	\$1,215,520	\$904,499	\$568,605	\$914,569	\$1,232,802
General Fund - Administration (1% of Gross Slot Income)	C 1.0%	\$4,248,668	\$3,883,428	\$4,015,027	\$3,063,602	\$2,105,945	\$3,166,814	\$4,048,933
Net Slot Machine Income (=A-B-C)		\$37,995,446	\$37,109,156	\$36,502,309	\$27,086,368	\$16,847,557	\$27,318,828	\$37,044,470
Licensees' Share of Net Slot Machine Income	61.0%	\$23,177,222	\$22,636,585	\$22,266,408	\$16,522,685	\$10,277,010	\$16,664,485	\$22,597,127
Licensees' Share of Net Slot after 3% Distribution to Bangor		\$21,909,899	\$21,406,807	\$21,050,888	\$15,618,186	\$9,708,405	\$15,749,916	\$21,364,325
Net Table Game Income		\$9,283,346	\$8,329,181	\$8,348,866	\$6,242,658	\$411,538	\$2,576,378	\$9,299,768
Licensee's Share of Net Table Game Income	84.0%	\$7,798,011	\$6,996,512	\$7,013,048	\$5,243,832	\$345,692	\$2,164,158	\$7,811,805
Distribution of State Share of Net Slot Machine Income		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
General Fund (other)	3.0%	\$1,139,863	\$1,113,275	\$1,095,069	\$812,591	\$505,427	\$819,565	\$1,111,334
General Fund (After 48 months - November 2009)	1.0%	\$379,954	\$371,092	\$365,023	\$270,864	\$168,476	\$273,188	\$370,445
Fund for a Healthy Maine (FHM)	10.0%	\$3,799,545	\$3,710,916	\$3,650,231	\$2,708,637	\$1,684,756	\$2,731,883	\$3,704,447
FHM over caps to Gen Fund (\$4.5M in FY11 and FY12, \$0 in FY13)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
University of Maine Scholarship Fund (2% until 9/1/13)	1.92%	\$729,513	\$712,496	\$700,844	\$520,058	\$323,473	\$524,521	\$711,254
Maine Maritime Academy Scholarship Program (beginning 9/1/13)	0.08%	\$30,396	\$29,687	\$29,202	\$21,669	\$13,478	\$21,855	\$29,636
Maine Community College System - Scholarship Funds	1.0%	\$379,954	\$371,092	\$365,023	\$270,864	\$168,476	\$273,188	\$370,445
Resident Municipalities	1.0%	\$379,954	\$371,092	\$365,023	\$270,864	\$168,476	\$273,188	\$370,445
Supplement Harness Racing Purses	10.0%	\$3,799,545	\$3,710,916	\$3,650,231	\$2,708,637	\$1,684,756	\$2,731,883	\$3,704,447
Sire Stakes Fund	3.0%	\$1,139,863	\$1,113,275	\$1,095,069	\$812,591	\$505,427	\$819,565	\$1,111,334
Fund to Encourage Racing at Maine's Commercial Tracks	4.0%	\$1,519,818	\$1,484,366	\$1,460,092	\$1,083,455	\$673,902	\$1,092,753	\$1,481,779
Fund to Stabilize Off-Track Betting (48 months - until Oct 2009)	2.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fund to Stabilize Off-Track Betting (after 48 months - Nov 2009)	1.0%	\$379,954	\$371,092	\$365,023	\$270,864	\$168,476	\$273,188	\$370,445
Agricultural Fair Support Fund	3.0%	\$1,139,863	\$1,113,275	\$1,095,069	\$812,591	\$505,427	\$819,565	\$1,111,334
GF Transfer to Gambling Addiction Prevention and Treatment Fund		(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)
Gambling Addiction Prevention and Treatment Fund		\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Distribution of State Share of Net Table Game Income		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
General Fund	9.0%	\$835,501	\$749,626	\$751,398	\$561,839	\$37,038	\$231,874	\$836,979
Gambling Control Board	3.0%	\$278,500	\$249,875	\$250,466	\$187,280	\$12,346	\$77,291	\$278,993
Municipality	2.0%	\$185,667	\$166,584	\$166,977	\$124,853	\$8,231	\$51,528	\$185,995
Coordinated Veterans Assistance Fund	2.0%	\$185,667	\$166,584	\$166,977	\$124,853	\$8,231	\$51,528	\$185,995
Revenue Summary		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
General Fund								
General Fund Administration (1% of gross slot income)		\$4,248,668	\$3,883,428	\$4,015,027	\$3,063,602	\$2,105,945	\$3,166,814	\$4,048,933
General Fund (Other)		\$2,255,318	\$2,133,993	\$2,111,490	\$1,545,294	\$610,941	\$1,224,627	\$2,218,758
Licensing revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal - General Fund		\$6,503,986	\$6,017,421	\$6,126,517	\$4,608,896	\$2,716,886	\$4,391,441	\$6,267,691
Fund for a Healthy Maine		\$3,799,545	\$3,710,916	\$3,650,231	\$2,708,637	\$1,684,756	\$2,731,883	\$3,704,447
Other Special Revenue Funds								
Harness Racing Commission		\$7,979,043	\$7,792,924	\$7,665,484	\$5,688,138	\$3,537,988	\$5,736,954	\$7,779,339
HRC - Subtotal		\$7,979,043	\$7,792,924	\$7,665,484	\$5,688,138	\$3,537,988	\$5,736,954	\$7,779,339
PUS- host municipalities		\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
University of Maine Scholarship Fund		\$729,513	\$712,496	\$700,844	\$520,058	\$323,473	\$524,521	\$711,254
Maine Maritime Academy Scholarship Program		\$30,396	\$29,687	\$29,202	\$21,669	\$13,478	\$21,855	\$29,636
Maine Community College System Scholarships		\$379,954	\$371,092	\$365,023	\$270,864	\$168,476	\$273,188	\$370,445
Resident Municipalities		\$565,621	\$537,676	\$532,000	\$395,717	\$176,707	\$324,716	\$556,440
Gambling Addiction Prevention and Treatment Fund		\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Gambling Control Board		\$828,200	\$799,575	\$800,166	\$736,980	\$562,046	\$626,991	\$828,693
Coordinated Veterans Assistance Fund		\$185,667	\$166,584	\$166,977	\$124,853	\$8,231	\$51,528	\$185,995
Subtotal - Other Special Revenue Funds		\$10,823,394	\$10,535,034	\$10,384,696	\$7,883,279	\$4,915,399	\$7,684,753	\$10,586,802

### Revenue Forecasting Committee - August 2020 - Oxford Casino

GENERAL FUND REVENUE		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Current Forecast - General Fund Revenue							\$2,384,205	\$2,408,047	\$2,432,127
Incremental Effect of August 2020 Forecast							(\$2,045,365)	(\$1,702,608)	(\$741,924)
August 2020 Forecast - Revised General Fund Revenue							\$338,840	\$705,439	\$1,690,203
Detail of Current Revenue Forecast - Distribution of Total Income									
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Total Net Slot Machine Income		\$63,519,488	\$67,165,957	\$73,718,747	\$77,512,371	\$54,475,376	\$11,294,665	\$23,514,622	\$56,340,096
Total Net Table Game Income		\$15,060,657	\$16,566,344	\$18,114,908	\$17,157,231	\$12,318,385	\$0	\$2,746,675	\$12,390,862
<b>Licenses' Share of Total Net Slot Machine Income</b>	<b>54.0%</b>	<b>\$34,300,524</b>	<b>\$36,269,617</b>	<b>\$39,808,124</b>	<b>\$41,856,680</b>	<b>\$29,416,703</b>	<b>\$6,099,119</b>	<b>\$12,697,896</b>	<b>\$30,423,652</b>
<b>Licenses' Share of Total Net Table Game Income</b>	<b>84.0%</b>	<b>\$12,650,952</b>	<b>\$13,915,729</b>	<b>\$15,216,523</b>	<b>\$14,412,074</b>	<b>\$10,347,443</b>	<b>\$0</b>	<b>\$2,307,207</b>	<b>\$10,408,324</b>
<b>Total Licenses' Share of Net Income</b>		<b>\$46,951,476</b>	<b>\$50,185,346</b>	<b>\$55,024,647</b>	<b>\$56,268,754</b>	<b>\$39,764,146</b>	<b>\$6,099,119</b>	<b>\$15,005,103</b>	<b>\$40,831,976</b>
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
<b>Distribution of State Share of Net Slot Machine Income</b>	<b>46.0%</b>								
K-12 Essential Programs and Services	25.0%	\$15,879,872	\$16,791,489	\$18,429,687	\$19,378,093	\$13,618,844	\$2,823,666	\$5,878,655	\$14,085,024
Maine's Penobscot and Passamaquoddy Indian Tribes	4.0%	\$2,540,780	\$2,686,638	\$2,948,750	\$3,100,495	\$2,179,015	\$451,787	\$940,585	\$2,253,604
General Fund - Administration	3.0%	\$1,905,585	\$2,014,979	\$2,211,562	\$2,325,371	\$1,634,261	\$338,840	\$705,439	\$1,690,203
University of Maine System Scholarship Fund (4% until 9/1/13)	3.83%	\$2,432,796	\$2,572,456	\$2,823,428	\$2,968,724	\$2,086,407	\$432,586	\$900,610	\$2,157,826
Maine Maritime Academy Scholarship Program (Beginning 9/1/13)	0.17%	\$107,983	\$114,182	\$125,322	\$131,771	\$92,608	\$19,201	\$39,975	\$95,778
Agricultural Fair Support Fund	1.0%	\$635,195	\$671,660	\$737,187	\$775,124	\$544,754	\$112,947	\$235,146	\$563,401
Municipality in which casino is located	2.0%	\$1,270,390	\$1,343,319	\$1,474,375	\$1,550,247	\$1,089,508	\$225,893	\$470,292	\$1,126,802
Maine Community College System Scholarship Programs	3.0%	\$1,905,585	\$2,014,979	\$2,211,562	\$2,325,371	\$1,634,261	\$338,840	\$705,439	\$1,690,203
Fund to Supplement Harness Racing Purses	1.0%	\$635,195	\$671,660	\$737,187	\$775,124	\$544,754	\$112,947	\$235,146	\$563,401
Sire Stakes Fund	1.0%	\$635,195	\$671,660	\$737,187	\$775,124	\$544,754	\$112,947	\$235,146	\$563,401
County in which casino is located	1.0%	\$635,195	\$671,660	\$737,187	\$775,124	\$544,754	\$112,947	\$235,146	\$563,401
Maine Dairy Farm Stabilization Fund (1% until 7/1/13)	0.5%	\$317,597	\$335,830	\$368,594	\$387,562	\$272,377	\$56,473	\$117,573	\$281,700
Dairy Improvement Fund (Beginning 7/1/13)	0.5%	\$317,597	\$335,830	\$368,594	\$387,562	\$272,377	\$56,473	\$117,573	\$281,700
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
<b>Distribution of State Share of Net Table Game Income</b>	<b>16.0%</b>								
K-12 Essential Programs and Services	10.0%	\$1,506,066	\$1,656,634	\$1,811,491	\$1,715,723	\$1,231,839	\$0	\$274,668	\$1,239,086
Gambling Control Board	3.0%	\$451,820	\$496,990	\$543,447	\$514,717	\$369,552	\$0	\$82,400	\$371,726
Municipality in which casino is located	2.0%	\$301,213	\$331,327	\$362,298	\$343,145	\$246,368	\$0	\$54,934	\$247,817
County in which casino is located	1.0%	\$150,607	\$165,663	\$181,149	\$171,572	\$123,184	\$0	\$27,467	\$123,909
Revenue Summary		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
<b>General Fund</b>									
General Fund Administration		\$1,905,585	\$2,014,979	\$2,211,562	\$2,325,371	\$1,634,261	\$338,840	\$705,439	\$1,690,203
License Fees		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Subtotal - General Fund</b>		<b>\$1,905,585</b>	<b>\$2,014,979</b>	<b>\$2,211,562</b>	<b>\$2,325,371</b>	<b>\$1,634,261</b>	<b>\$338,840</b>	<b>\$705,439</b>	<b>\$1,690,203</b>
<b>Other Special Revenue Funds</b>									
Gambling Control Board		\$650,145	\$695,315	\$741,772	\$713,042	\$567,877	\$198,325	\$280,725	\$570,051
K-12 Essential Programs and Services		\$17,385,938	\$18,448,123	\$20,241,178	\$21,093,816	\$14,850,683	\$2,823,666	\$6,153,323	\$15,324,110
Maine's Penobscot and Passamaquoddy Indian Tribes		\$2,540,780	\$2,686,638	\$2,948,750	\$3,100,495	\$2,179,015	\$451,787	\$940,585	\$2,253,604
University of Maine System Scholarship Fund		\$2,432,796	\$2,572,456	\$2,823,428	\$2,968,724	\$2,086,407	\$432,586	\$900,610	\$2,157,826
Maine Maritime Academy Scholarship Program		\$107,983	\$114,182	\$125,322	\$131,771	\$92,608	\$19,201	\$39,975	\$95,778
Agricultural Fair Support Fund		\$635,195	\$671,660	\$737,187	\$775,124	\$544,754	\$112,947	\$235,146	\$563,401
Municipality in which casino is located		\$1,571,603	\$1,674,646	\$1,836,673	\$1,893,392	\$1,335,876	\$225,893	\$525,226	\$1,374,619
Maine Community College System Scholarship Programs		\$1,905,585	\$2,014,979	\$2,211,562	\$2,325,371	\$1,634,261	\$338,840	\$705,439	\$1,690,203
Fund to Supplement Harness Racing Purses		\$635,195	\$671,660	\$737,187	\$775,124	\$544,754	\$112,947	\$235,146	\$563,401
Sire Stakes Fund		\$635,195	\$671,660	\$737,187	\$775,124	\$544,754	\$112,947	\$235,146	\$563,401
County in which casino is located		\$785,802	\$837,323	\$918,336	\$946,696	\$667,938	\$112,947	\$262,613	\$687,310
Maine Dairy Farm Stabilization Fund		\$317,597	\$335,830	\$368,594	\$387,562	\$272,377	\$56,473	\$117,573	\$281,700
Dairy Improvement Fund		\$317,597	\$335,830	\$368,594	\$387,562	\$272,377	\$56,473	\$117,573	\$281,700
<b>Subtotal - Other Special Revenue Funds</b>		<b>\$29,921,411</b>	<b>\$31,730,302</b>	<b>\$34,795,771</b>	<b>\$36,273,805</b>	<b>\$25,593,684</b>	<b>\$5,055,036</b>	<b>\$10,749,085</b>	<b>\$26,407,110</b>

**Milk Handling Fee and Transfer to Maine Milk Pool - August 2020 Revenue Forecast**

**HANDLING FEE INCOME**

	<b>FY20</b>	<b>FY20</b>	<b>FY21</b>	<b>FY21</b>
Month	Basic Price	Revenue	Basic Price	Revenue
June	\$20.32	\$164,118	\$14.66	\$1,033,804
July	\$20.42	\$182,997	\$19.80	\$238,569
August	\$21.14	\$82,159	\$21.73	\$79,523
Sept.	\$21.10	\$73,538	\$21.32	\$79,523
Oct.	\$21.09	\$81,242	\$20.41	\$159,047
Nov.	\$21.39	\$68,938	\$19.98	\$238,570
Dec.	\$22.58	\$84,659	\$19.67	\$238,570
Jan.	\$22.25	\$74,661	\$19.75	\$238,570
Feb.	\$20.80	\$129,514	\$19.75	\$238,570
March	\$20.71	\$157,756	\$19.75	\$238,570
April	\$19.88	\$246,475	\$19.75	\$238,570
May	\$16.20	\$737,132	\$19.75	\$238,570
		<b>\$2,083,189</b>		<b>\$3,260,456</b>

**\$5,343,645**

		Federal Blend/CWT	Federal MILC/CWT	Average Premium	Average Support/CWT	Total Pounds	Support Payment
<b>FY20</b>	Jun-19	\$18.28	\$0.00	\$0.26	\$2.40	53,220,434	\$1,278,370
	Jul-19	\$18.97	\$0.00	\$0.29	\$1.51	53,402,648	\$807,423
	Aug-19	\$18.97	\$0.00	\$0.30	\$1.17	52,494,445	\$611,812
	Sep-19	\$18.78	\$0.00	\$0.29	\$1.09	49,301,730	\$537,116
	Oct-19	\$18.72	\$0.00	\$0.31	\$0.84	49,371,328	\$415,918
	Nov-19	\$19.20	\$0.00	\$0.32	\$0.79	47,241,094	\$373,184
	Dec-19	\$19.28	\$0.00	\$0.31	\$0.52	49,647,818	\$257,392
	Jan-20	\$18.78	\$0.00	\$0.29	\$0.77	50,544,864	\$388,072
	Feb-20	\$18.12	\$0.00	\$0.28	\$0.99	47,705,816	\$470,897
	Mar-20	\$17.74	\$0.00	\$0.29	\$1.09	51,527,530	\$563,775
	Apr-20	\$14.92	\$0.00	\$0.29	\$3.73	50,071,731	\$1,867,967
	May-20	\$13.47	\$0.00	\$0.28	\$5.17	51,066,730	\$2,639,103
						<b>FY20 Exp</b>	<b>\$10,211,029</b>

		Federal Blend/CWT	Federal MILC/CWT	Average Premium	Average Support/CWT	Total Pounds	Support Payment
<b>FY21</b>	Jun-20	\$15.66	\$0.00	\$0.29	\$5.02	49,399,409	\$2,478,358
	Jul-20	\$18.17	\$0.00	\$0.29	\$2.12	53,402,648	\$1,131,306
	Aug-20	\$18.89	\$0.00	\$0.29	\$1.23	52,494,445	\$648,262
	Sep-20	\$18.55	\$0.00	\$0.29	\$1.24	49,301,730	\$610,888
	Oct-20	\$18.03	\$0.00	\$0.29	\$1.19	49,371,328	\$585,270
	Nov-20	\$17.69	\$0.00	\$0.29	\$1.36	47,241,094	\$644,841
	Dec-20	\$17.41	\$0.00	\$0.29	\$1.54	49,647,818	\$766,718
	Jan-21	\$17.25	\$0.00	\$0.29	\$1.65	50,544,864	\$831,493
	Feb-21	\$17.25	\$0.00	\$0.29	\$1.53	47,705,816	\$731,378
	Mar-21	\$17.25	\$0.00	\$0.29	\$1.47	51,527,530	\$759,487
	Apr-21	\$17.25	\$0.00	\$0.29	\$1.40	50,071,731	\$703,480
	May-21	\$17.25	\$0.00	\$0.29	\$1.37	51,066,730	\$701,722
						<b>FY21 Exp</b>	<b>\$10,593,202</b>
							\$56,473
						<b>Net GF Exp</b>	<b>\$10,536,729</b>

**Milk Handling Fee and Transfer to Maine Milk Pool - August 2020 Revenue Forecast**

**HANDLING FEE INCOME**

	<b>FY22</b>	<b>FY22</b>	<b>FY23</b>	<b>FY23</b>
Month	Basic Price	Revenue	Basic Price	Revenue
June	\$19.75	\$238,570	\$19.75	\$238,570
July	\$19.75	\$238,570	\$19.75	\$238,570
August	\$19.75	\$238,570	\$19.75	\$238,570
Sept.	\$19.75	\$238,570	\$19.75	\$238,570
Oct.	\$19.75	\$238,570	\$19.75	\$238,570
Nov.	\$19.75	\$238,570	\$19.75	\$238,570
Dec.	\$19.75	\$238,570	\$19.75	\$238,570
Jan.	\$19.75	\$238,570	\$19.75	\$238,570
Feb.	\$19.75	\$238,570	\$19.75	\$238,570
March	\$19.75	\$238,570	\$19.75	\$238,570
April	\$19.75	\$238,570	\$19.75	\$238,570
May	\$19.75	\$238,570	\$19.75	\$238,570
		<b>\$2,862,840</b>		<b>\$2,862,840</b>

**\$5,725,680**

		Federal Blend/CWT	Federal MILC/CWT	Average Premium	Average Support/CWT	Total Pounds	Support Payment
<b>FY22</b>	Jun-21	\$17.25	\$0.00	\$0.29	\$2.39	49,399,409	\$1,811,451
	Jul-21	\$17.25	\$0.00	\$0.29	\$2.02	53,402,648	\$1,600,471
	Aug-21	\$17.25	\$0.00	\$0.29	\$1.77	52,494,445	\$1,347,443
	Sep-21	\$17.25	\$0.00	\$0.29	\$1.46	49,301,730	\$1,094,828
	Oct-21	\$17.25	\$0.00	\$0.29	\$1.26	49,371,328	\$859,658
	Nov-21	\$17.25	\$0.00	\$0.29	\$1.11	47,241,094	\$827,530
	Dec-21	\$17.25	\$0.00	\$0.29	\$1.05	49,647,818	\$846,155
	Jan-22	\$17.25	\$0.00	\$0.29	\$1.01	50,544,864	\$328,645
	Feb-22	\$17.25	\$0.00	\$0.29	\$0.98	47,705,816	\$294,048
	Mar-22	\$17.25	\$0.00	\$0.29	\$0.93	51,527,530	\$321,085
	Apr-22	\$17.25	\$0.00	\$0.29	\$0.86	50,071,731	\$291,103
	May-22	\$17.25	\$0.00	\$0.29	\$0.80	51,066,730	\$283,319
						<b>FY22 Exp</b>	<b>\$9,905,736</b>
							\$117,573
						<b>Net GF Exp</b>	<b>\$9,788,163</b>

		Federal Blend/CWT	Federal MILC/CWT	Average Premium	Average Support/CWT	Total Pounds	Support Payment
<b>FY23</b>	Jun-22	\$17.25	\$0.00	\$0.29	\$2.39	49,399,409	\$1,811,451
	Jul-22	\$17.25	\$0.00	\$0.29	\$2.02	53,402,648	\$1,600,471
	Aug-22	\$17.25	\$0.00	\$0.29	\$1.77	52,494,445	\$1,347,443
	Sep-22	\$17.25	\$0.00	\$0.29	\$1.46	49,301,730	\$1,094,828
	Oct-22	\$17.25	\$0.00	\$0.29	\$1.26	49,371,328	\$859,658
	Nov-22	\$17.25	\$0.00	\$0.29	\$1.11	47,241,094	\$827,530
	Dec-22	\$17.25	\$0.00	\$0.29	\$1.05	49,647,818	\$846,155
	Jan-23	\$17.25	\$0.00	\$0.29	\$1.01	50,544,864	\$328,645
	Feb-23	\$17.25	\$0.00	\$0.29	\$0.98	47,705,816	\$294,048
	Mar-23	\$17.25	\$0.00	\$0.29	\$0.93	51,527,530	\$321,085
	Apr-23	\$17.25	\$0.00	\$0.29	\$0.86	50,071,731	\$291,103
	May-23	\$17.25	\$0.00	\$0.29	\$0.80	51,066,730	\$283,319
						<b>FY23 Exp</b>	<b>\$9,905,736</b>
							\$281,700
						<b>Net GF Exp</b>	<b>\$9,624,036</b>

**NOTE: Basic Price is the Class I Price and is higher than the Uniform Federal Blend Price**

**Tier target prices: \$21.00, \$20.36, \$18.01, \$17.83**

Maine Dept. of Agriculture, Conservation & Forestry Maine Milk Commission  
Amended 07/27/2020 by OFPR to include .5% Net Slot Income



## Medicaid/MaineCare Dedicated Revenue Taxes Detail

			FY 2017	2016-2017	FY 2018	2017-2018	FY 2019	2018-2019	FY 2019	2018-2019
New Approp	REV SHORT TITLE	REV SRC	Actuals	% Chg.	Actuals	% Chg.	Budget May 2019	% Chg.	Actuals	% Chg.
01410A014802	NURS NG FACILITIES-NF TAX	0670	36,162,788	-2.5%	33,755,577	-6.7%	34,908,680	3.4%	34,999,161	3.7%
01410AZ19753	RES TRMT FACILITIES TAX	0671	1,777,492	-3.4%	1,905,823	7.2%	1,865,000	-2.1%	1,886,325	-1.0%
01410AZ21057	RES TRMT FACILITIES TAX	0671	58,705	-5.8%	61,404	4.6%	57,000	-7.2%	60,153	-2.0%
01410AZ21254	RES TRMT FACILITIES TAX	0671	102,932	-0.7%	110,852	7.7%	105,000	-5.3%	109,027	-1.6%
Subtotal	RTF Tax		1,939,129	-3.3%	2,078,079	7.2%	2,027,000	-2.5%	2,055,506	-1.1%
01410A014704	MEDICAL CARE- HOSPITAL TAX	1913	95,028,525	-0.3%	103,355,698	8.8%	103,044,619	-0.3%	102,503,718	-0.8%
01410AZ21050	MED MATCH MR- PNMI TAX	0675	730,857	13.2%	759,814	4.0%	817,750	7.6%	793,987	4.5%
01410AZ21052	MED MATCH MR- SERV PROV TAX	0675	20,436,200	9.5%	21,859,304	7.0%	27,901,225	27.6%	23,642,031	8.2%
01410AZ20144	MH SERV COMM MED-PNMI TAX	0675	2,972,538	12.3%	3,090,313	4.0%	3,030,000	-2.0%	3,229,302	4.5%
01410AZ20140	MH COMMUNITY SUPPORT TAX	0675	2,926,850	-27.6%	3,315,623	13.3%	3,862,566	16.5%	3,532,821	6.6%
01410AZ20241	MEDICAID SEED- PNMI TAX	0675	785,368	13.2%	816,485	4.0%	872,800	6.9%	853,207	4.5%
01410A014701	MEDICAL CARE SERVICES	0675	15,858,949	18.1%	16,118,882	1.6%	17,206,614	6.7%	18,373,373	14.0%
Subtotal	Service Provider (PNMI) Tax		43,710,762	8.9%	45,960,421	5.1%	53,690,955	16.8%	50,424,722	9.7%
			176,841,205	1.3%	185,149,775	4.7%	193,671,254	4.6%	189,983,107	2.6%
	Nursing Home Tax		36,162,788	-2.5%	33,755,577	-6.7%	34,908,680	3.4%	34,999,161	3.7%
	RTF's Tax		1,939,129	-3.3%	2,078,079	7.2%	2,027,000	-2.5%	2,055,506	-1.1%
	Hospital Tax		95,028,525	-0.3%	103,355,698	8.8%	103,044,619	-0.3%	102,503,718	-0.8%
	Service Provider (PNMI) Tax		43,710,762	8.9%	45,960,421	5.1%	53,690,955	16.8%	50,424,722	9.7%
			176,841,205	1.3%	185,149,775	4.7%	193,671,254	4.6%	189,983,107	2.6%

## Medicaid/MaineCare Dedicated Revenue Taxes Detail

			FY 2020	FY 2020	FY 2020	2019-2020	FY 2021	FY 2021	FY 2021	FY 2021	2020-2021
New Approp	REV SHORT TITLE	REV SRC	Budget Mar 2020	% Chg.	Actuals	% Chg.	Rev. Est. Mar 2020	Leg Changes Aug 2020	Req. Chg. Aug 2020	Rev. Est. Aug 2020	% Chg.
01410A014802	NURSING FACILITIES-NF TAX	0670	39,291,304	12 3%	43,432,833	24.1%	41,786,220	-	-	41,786,220	0.0%
01410AZ19753	RES TRMT FACILITIES TAX	0671	2,116,115	12 2%	2,061,980	9 3%	2,116,115	-	-	2,116,115	0.0%
01410AZ21057	RES TRMT FACILITIES TAX	0671	57,000	-5 2%	65,649	9.1%	57,000	-	-	57,000	0.0%
01410AZ21254	RES TRMT FACILITIES TAX	0671	105,000	-3.7%	122,693	12 5%	105,000	-	-	105,000	0.0%
	Subtotal RTF Tax		2,278,115	10 8%	2,250,322	9 5%	2,278,115	-	-	2,278,115	0.0%
01410A014704	MEDICAL CARE- HOSPITAL TAX	1913	115,287,729	12 5%	115,464,903	12 6%	117,387,729	-	(1,499,586)	115,888,143	-1.3%
01410AZ21050	MED MATCH MR- PNMI TAX	0675	750,000	-5 5%	767,968	-3.3%	750,000	668,435	-	1,418,435	89.1%
01410AZ21052	MED MATCH MR- SERV PROV TAX	0675	26,527,843	12 2%	25,264,933	6 9%	27,281,331	-	(1,696,624)	25,584,707	-6.2%
01410AZ20144	MH SERV COMM MED-PNMI TAX	0675	3,030,000	-6 2%	3,104,342	-3.9%	3,030,000	-	-	3,030,000	0.0%
01410AZ20140	MH COMMUNITY SUPPORT TAX	0675	3,401,246	-3.7%	3,278,670	-7.2%	3,401,246	-	-	3,401,246	0.0%
01410AZ20241	MEDICAID SEED- PNMI TAX	0675	800,000	-6 2%	819,676	-3.9%	800,000	-	-	800,000	0.0%
01410A014701	MEDICAL CARE SERVICES	0675	18,131,603	-1 3%	19,754,717	7.5%	18,907,295	1,014,935	-	19,922,230	5.4%
	Subtotal Service Provider (PNMI) Tax		52,640,692	4.4%	52,990,306	5.1%	54,169,872	1,683,370	(1,696,624)	54,156,618	0.0%
			209,497,840	10 3%	214,138,364	12.7%	215,621,936	1,683,370	(3,196,210)	214,109,096	-0.7%
	Nursing Home Tax		39,291,304	12 3%	43,432,833	24.1%	41,786,220	-	-	41,786,220	0.0%
	RTF's Tax		2,278,115	10 8%	2,250,322	9 5%	2,278,115	-	-	2,278,115	0.0%
	Hospital Tax		115,287,729	12 5%	115,464,903	12 6%	117,387,729	-	(1,499,586)	115,888,143	-1.3%
	Service Provider (PNMI) Tax		52,640,692	4.4%	52,990,306	5.1%	54,169,872	1,683,370	(1,696,624)	54,156,618	0.0%
			209,497,840	10 3%	214,138,364	12.7%	215,621,936	1,683,370	(3,196,210)	214,109,096	-0.7%

## Medicaid/MaineCare Dedicated Revenue Taxes Detail

			FY 2022	FY 2022	FY 2022	FY 2022	2021-2022	FY 2023	FY 2023	FY 2023	FY 2023	2022-2023
New Approp	REV SHORT TITLE	REV SRC	Rev. Est. Mar 2020	Leg Changes Aug 2020	Req. Chg. Aug 2020	Rev. Est. Aug 2020	% Chg.	Rev. Est. Mar 2020	Leg Changes Aug 2020	Req. Chg. Aug 2020	Rev. Est. Aug 2020	% Chg.
01410A014802	NURSING FACILITIES-NF TAX	0670	41,786,220	-	-	41,786,220	0.0%	41,786,220	-	-	41,786,220	0.0%
01410AZ19753	RES TRMT FACILITIES TAX	0671	2,116,115	-	-	2,116,115	0.0%	2,116,115	-	-	2,116,115	0.0%
01410AZ21057	RES TRMT FACILITIES TAX	0671	57,000	-	-	57,000	0.0%	57,000	-	-	57,000	0.0%
01410AZ21254	RES TRMT FACILITIES TAX	0671	105,000	-	-	105,000	0.0%	105,000	-	-	105,000	0.0%
	Subtotal RTF Tax		2,278,115	-	-	2,278,115	0.0%	2,278,115	-	-	2,278,115	0.0%
01410A014704	MEDICAL CARE- HOSPITAL TAX	1913	117,387,729	-	(1,499,586)	115,888,143	-1.3%	117,387,729	-	(1,499,586)	115,888,143	-1.3%
01410AZ21050	MED MATCH MR- PNMI TAX	0675	750,000	668,435	-	1,418,435	89.1%	750,000	668,435	-	1,418,435	89.1%
01410AZ21052	MED MATCH MR- SERV PROV TAX	0675	27,281,331	-	(1,696,624)	25,584,707	-6.2%	27,281,331	-	(1,696,624)	25,584,707	-6.2%
01410AZ20144	MH SERV COMM MED-PNMI TAX	0675	3,030,000	-	-	3,030,000	0.0%	3,030,000	-	-	3,030,000	0.0%
01410AZ20140	MH COMMUNITY SUPPORT TAX	0675	3,401,246	-	-	3,401,246	0.0%	3,401,246	-	-	3,401,246	0.0%
01410AZ20241	MEDICAID SEED- PNMI TAX	0675	800,000	-	-	800,000	0.0%	800,000	-	-	800,000	0.0%
01410A014701	MEDICAL CARE SERVICES	0675	18,907,295	1,014,935	-	19,922,230	5.4%	18,907,295	1,014,935	-	19,922,230	5.4%
	Subtotal Service Provider (PNMI) Tax		54,169,872	1,683,370	(1,696,624)	54,156,618	0.0%	54,169,872	1,683,370	(1,696,624)	54,156,618	0.0%
			215,621,936	1,683,370	(3,196,210)	214,109,096	-0.7%	215,621,936	1,683,370	(3,196,210)	214,109,096	-0.7%
	Nursing Home Tax		41,786,220	-	-	41,786,220	0.0%	41,786,220	-	-	41,786,220	0.0%
	RTF's Tax		2,278,115	-	-	2,278,115	0.0%	2,278,115	-	-	2,278,115	0.0%
	Hospital Tax		117,387,729	-	(1,499,586)	115,888,143	-1.3%	117,387,729	-	(1,499,586)	115,888,143	-1.3%
	Service Provider (PNMI) Tax		54,169,872	1,683,370	(1,696,624)	54,156,618	0.0%	54,169,872	1,683,370	(1,696,624)	54,156,618	0.0%
			215,621,936	1,683,370	(3,196,210)	214,109,096	-0.7%	215,621,936	1,683,370	(3,196,210)	214,109,096	-0.7%