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REPORT OF THE MAINE STATE REVENUE FORECASTING COMMITTEE

December 2021



Michael Allen, Chair
Associate Commissioner for Tax Policy

Ryan Wallace
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
 Ryan Wallace, 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

November 30, 2021

TO: Governor Janet T. Mills
 Members, 130th Legislature

FROM: Michael Allen, Chair
 Revenue Forecasting Committee

RE: **Revenue Forecast Committee December 1, 2021 Report**

The Revenue Forecasting Committee (RFC) has concluded its update of the current revenue forecast to comply with its statutory reporting date of December 1st, to incorporate the new economic forecast released by the Consensus Economic Forecasting Commission (CEFC) on November 1, 2021 and to provide a forecast that reflects revenue performance through the first four months of FY22. 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 this week.

General Fund Summary

	FY21	FY22	FY23	FY24	FY25
March 2020 Forecast	\$4,070,279,515	\$4,174,531,432	\$4,317,597,709		
Annual % Growth	2.5%	2.6%	3.4%		
May 2021 Forecast Adjusted ¹	\$4,520,591,145	\$4,179,154,919	\$4,325,387,503	\$4,484,402,527	\$4,628,688,473
Annual % Growth	13.9%	-7.6%	3.5%	3.7%	3.2%
Net Increase (Decrease)	\$0	\$443,172,347	\$379,073,003	\$401,908,593	\$419,689,617
Dec 2021 Forecast	\$4,520,591,145	\$4,622,327,266	\$4,704,460,506	\$4,886,311,120	\$5,048,378,090
Annual % Growth	13.9%	2.3%	1.8%	3.9%	3.3%
Change \$ from March 2020 RFC	\$450,311,629	\$447,795,834	\$386,862,797	na	na
Change % from March 2020 RFC	11.1%	10.7%	9.0%	na	na

1/ Reflects FY21 actual revenue and revenue changes enacted subsequent to the May 2021 Forecast

In its December 2021 update, the RFC revised General Fund revenue estimates upward by \$443.2 million for FY22 and by \$379.1 million for FY23 for a total increase of \$822.2 million (9.7%) for the 2022-2023 biennium. The forecasted rate of year-over-year growth for General Fund revenue for FY22 is 2.3% and for FY23 is 1.8%. Relative to the RFC's pre-pandemic March 1, 2020 forecast, GF revenue was \$450.3 million (11.1%) higher for FY21 and is now projected to be \$834.7 million (9.8%) higher for the 2022-2023 biennium. As discussed below, the GF revenue changes are largely the result of positive adjustments to the sales and use and individual income tax lines.

The RFC revised Highway Fund revenue estimates upward by \$4.0 million for FY22 and by \$1.9 million for FY23 for a total increase of \$5.9 million (0.9%) for the 2022-2023 biennium. The forecasted rate of year-over-year growth for Highway Fund revenue for FY22 is 0.2% and for FY23 is 1.1%. The Highway Fund revenue changes are largely the result of increases in the motor vehicle registration and fees and other highway fund revenue lines, while the motor fuels tax lines were unchanged.

The \$209.0 million upward adjustment in FY22 to the General Fund sales and use tax forecast reflects a positive variance of \$92.5 million through October and preliminary November receipts that point to a monthly positive variance of approximately \$20 million. While the sales tax forecast assumes year-over-year growth will slow starting in calendar year 2022, the CEFC's economic forecast estimates Maine households will experience income growth capable of sustaining the current level of spending on taxable goods and services. After FY22, annual sales tax growth is forecasted to be between 2.5 and 3.0 percent, reflecting higher inflation and a gradual shift back to in person non-taxable services as consumers adjust their mix of spending to where it was pre-pandemic.

Changes to the General Fund individual income tax are primarily the result of the 2020 tax year being stronger than previously forecasted, revenue performance through the first 10 months of tax year 2021 indicating that tax year 2021 will grow by more than previously forecasted, and more optimistic assumptions of wage and salary growth over the remainder of the forecast period. The November CEFC forecast assumes that wages and salaries will increase 5.5% during CY21, 5.0% per year for the CY22-CY24 period, and 4% in CY25. The wages and salaries forecast results in an increase in forecasted individual income tax liability of \$39 million in tax year 2021, \$60 million in tax year 2022, \$84 million in tax year 2023, and approximately \$110 million in tax years 2024 and 2025. Stronger growth in capital gains realizations increases 2021 tax liability by \$64 million but has limited impact relative to the May forecast after 2021 as projected decreases in capital gains realizations eventually reduces tax liability. The revenue increase in FY22 is larger than the later years partly because of timing in receipts. The new forecast assumes some shifting of income into tax year 2021 and out of future tax years to avoid potential tax increases at the federal level. This behavior by high-income taxpayers will boost FY22 revenues at the expense of future fiscal years. If Congress passes a significant tax package prior to the end of calendar year 2021 it's entirely possible that the income shifting may be larger than we are currently estimating and the FY22 individual income tax forecast will need to be adjusted up in the March 1, 2022 revenue forecast.

The significant revenue increases estimated in this forecast represent the latest thinking by economic forecasters on the trajectory of the U.S. and Maine economies over the next four years. As the last few days have shown, the historic COVID-19 pandemic remains highly uncertain, and variants can appear unexpectedly and spread across the globe quickly. Most of the short-term risk to the current revenue forecast is positive, while ongoing issues (inflation, stock and real estate market valuations, supply chain and labor force constraints etc.) facing the economy make the FY23-25 portions of the forecast volatile and susceptible to significant downside risk. The short time horizon between this forecast exercise and the next one in early CY22 doesn't provide a lot of time for many of the global challenges to be resolved, which means the long-term part of this forecast will remain uncertain until late next year.

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
Suzanne Gresser, Executive Director, Legislative Council
Legislative Staff Office Directors

Report of the Maine State Revenue Forecasting Committee December 2021 Forecast

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- D. Medicaid/MaineCare Dedicated Revenue Taxes Summary Table**
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- F. Maine Revenue Services Recommendations and other Background Materials**
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Introduction

The Revenue Forecasting Committee (RFC) met on November 23, 2021 to review and update the current revenue forecast to comply with its statutory reporting date of December 1st. The RFC revised its revenue projections through the fiscal year ending June 30, 2025 for the General Fund, Highway Fund, Fund for a Healthy Maine and MaineCare Dedicated Revenue Taxes.

Economic Forecast

The Maine Consensus Economic Forecasting Commission (CEFC) convened October 29, 2021, to review and revise its forecast through 2025.

Overall, the Commission continued to be optimistic about increased in-migration to Maine but remained concerned about the economic consequences of possible future COVID-19 variants. While recent data has confirmed federal stimulus mitigated poverty and hardship in 2020, there is uncertainty regarding additional Congressional relief. Inflation has spiked, led by supply chain challenges and oil price increases, and will accelerate the timing of increased interest rates. Regional variations across the state in vaccinations and social distancing measures will likely contribute to an uneven recovery in the coming months and years.

Total nonfarm employment is projected to increase by 3.7% in 2021, 2.3% in 2022, 1.0% in 2023, and 0.7% in both 2024 and 2025. The revised forecast anticipates employment will return to pre-pandemic levels by 2023 and continue growing to 647.9 thousand in 2025. This reflects a downward revision in 2021 due to slower-than-expected gains in recent months and uncertainty regarding the path of the pandemic, with upward revisions from 2023-2025 resulting from increased optimism around employer willingness to raise wages and benefits (including support for childcare) leading to continued in-migration.

The forecast for total personal income was revised up in all years, from 2021-2025. Total personal income was revised up from 5.0% to 5.2% in 2021, from 0.2% to 0.5% in 2022, from 4.1% to 4.6% in 2023, from 4.3% to 4.8% in 2024, and from 4.5% to 4.6% in 2025. This revision accounts for stronger wage growth in 2021-2024.

Growth in wages and salaries, the largest component of personal income, was revised up for 2021 by 0.5 percentage points compared to April's forecast, from 5.0% to 5.5%. 2022-2024 were revised up by 1.0 percentage point, from 4.0% to 5.0%, while 2025 was left unchanged at 4.0%. Growth in supplements to wages and salaries was revised to 4.7% in 2021, down from 5.0% in the previous forecast, while all remaining years were unchanged.

Nonfarm proprietors' income was revised up in 2021 to 5.5%. The CEFC left the remaining years unchanged. The forecast for dividends, interest, and rent was revised up for 2023-2025 by 0.5 percentage point from 3.5% to 4.0% in each year.

Growth in personal current transfer receipts was left unchanged for all years.

The CEFC revised its forecast for the Consumer Price Index (CPI) up for 2021, from 2.4% to 4.4%. The commission also revised its projection for 2022 to 3.5%, up from 2.2% in the previous forecast. This change reflects recent high levels of inflation caused by both demand surges and supply constraints, which are expected to continue through mid-2022.

Lastly, the forecast for corporate profits was revised up in 2021 to 30.0% from 15.0%. The forecasts for 2022 and 2023 were revised down, to 2.0% and 3.0%, respectively, compared to 4.7% in each year. 2024 and 2025 were both revised up to 6.0%, compared to 4.7% in April’s forecast.

A copy of the November 1, 2021, report of the CEFC 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 November 23, 2021 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 December 1st update to the revenue forecast. More detail on each of the funds and revenue sources is provided in the various appendices.

General Fund Summary

	FY21	FY22	FY23	FY24	FY25
March 2020 Forecast	\$4,070,279,515	\$4,174,531,432	\$4,317,597,709		
Annual % Growth	2.5%	2.6%	3.4%		
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Change \$ from March 2020 RFC	\$450,311,629	\$447,795,834	\$386,862,797	na	na
Change % from March 2020 RFC	11.1%	10.7%	9.0%	na	na

1/ Reflects FY21 actual revenue and revenue changes enacted subsequent to the May 2021 Forecast

General Fund revenue estimates are revised upward by \$443.2 million for FY22 and by \$379.1 million for FY23, for a total increase of \$822.2 million (9.7%) for the 2022-2023 biennium. The forecasted rate of year-over-year growth for General Fund revenue for FY22 is 2.3% and for FY23 is 1.8%. Relative to the RFC’s pre-pandemic March 1, 2020 forecast, General Fund revenue was \$450.3 million (11.1%) higher for FY21 and is now projected to be \$834.7 million (9.8%) higher for the 2022-2023 biennium. The forecast for the 2024-2025 biennium is revised upward by \$821.6 million (9.0%) with a forecasted rate of year-over-year growth of 3.9% for FY24 and 3.3% for FY25. As discussed below, the General Fund revenue changes are largely the result of positive adjustments to the sales and use and individual income tax lines.

The \$209.0 million upward adjustment in FY22 to the General Fund sales and use tax forecast reflects a positive variance of \$92.5 million through October and preliminary November receipts that point to a monthly positive variance of approximately \$20 million. While the sales tax forecast assumes year-over-year growth will slow starting in calendar year 2022, the CEFC’s economic forecast estimates Maine households will experience income growth capable of sustaining the current level of spending on taxable goods and services. After FY22, annual sales tax growth is forecasted to be between 2.5 and 3.0 percent, reflecting higher inflation and a gradual shift back to in-person non-taxable services as consumers adjust their mix of spending to where it was pre-pandemic.

Changes to the General Fund individual income tax are primarily the result of the 2020 tax year being stronger than previously forecasted, revenue performance through the first 10 months of tax year 2021 indicating that tax year 2021 will grow by more than previously forecasted, and more optimistic assumptions of wage and salary growth over the remainder of the forecast period. The November CEFC forecast assumes that wages and salaries will increase 5.5% during CY21, 5.0% per year for the CY22-CY24 period, and 4% in CY25. The wages and salaries forecast results in an increase in forecasted individual income tax liability of \$39 million in tax year 2021, \$60 million in tax year 2022, \$84 million in tax year 2023, and approximately \$110 million in tax years 2024 and 2025. Stronger growth in capital gains realizations increases 2021 tax liability by \$64 million but has limited impact relative to the May forecast after 2021 as projected decreases in capital gains realizations eventually reduces tax liability. The revenue increase in FY22 is larger than the later years partly because of timing in receipts. The new forecast assumes some shifting of income into tax year 2021 and out of future tax years to avoid potential tax increases at the federal level. This behavior by high-income taxpayers will boost FY22 revenues at the expense of future fiscal years. If Congress passes a significant tax package prior to the end of calendar year 2021 it's entirely possible that the income shifting may be larger than we are currently estimating and the FY22 individual income tax forecast will need to be adjusted up in the March 1, 2022 revenue forecast.

Other notable adjustments to General Fund revenue lines include:

- **Corporate Tax.** The forecast includes a positive adjustment to corporate revenue of \$35 million in FY22, \$35 million in FY23 and \$101.5 million for the 2024-2025 biennium. The positive adjustments are largely driven by actual revenues through October and a more optimistic CEFC forecast of pre-tax corporate profits.
- **Cigarette Tax and Other Tobacco Taxes.** The forecast assumes a net positive adjustment for cigarette and other tobacco taxes revenue of \$0.3 million in FY22 and \$0.7 million in FY23 but a net decrease of \$0.9 million for the 2024-2025 biennium. This revenue line also includes adult-use marijuana excise tax revenue discussed below. Absent the adult-use marijuana excise tax revenue changes, cigarette and other tobacco taxes are forecasted to be approximately \$5.3-\$5.6 million higher each year. Most of this adjustment is from the cigarette excise tax and reflects forecasting off of a higher FY21 base which was over budget by \$4.5 million.
- **Estate Tax.** The forecast for estate taxes assumes an increase of \$6.1 million for FY22, \$3.7 million for FY23 and \$6.4 million for the 2024-2025 biennium. These positive adjustments are the result of a stronger economic forecast of household net worth in the short-term. The increase is moderated in the out years because the higher inflation forecast results in a higher exemption amount in future years because the exemption amount is indexed for inflation.
- **Adult-Use Marijuana Sales Tax.** This forecast assumes gross sales tax revenue of \$12.3 million in FY22, \$18.0 million in FY23, \$22 million in FY24 and \$27 million in FY25. These estimates are gross amounts before transfers to the Local Government Fund and the Adult Use Marijuana Public Health and Safety Fund. Total transfers to the Adult Use Marijuana Public Health and Safety Fund from sales and excise taxes are included in Other Revenue and are estimated to be \$2.2 million in FY 22, \$3.6 million in FY23, \$4.6 million in FY24 and \$5.6 million in FY25. *Note, these adult use marijuana estimates do not include the estimated \$16.5 million per year in GF revenue from the sales tax on medical marijuana sales.*
- **Adult-Use Marijuana Excise Tax.** This forecast assumes gross excise tax revenue of \$7.7 million in FY22, \$13.2 million in FY23, \$16.7 million in FY24 and \$20.7 million in FY25. These estimates are gross amounts before transfers to the Adult Use Marijuana Public Health and Safety Fund.
- **Transfer to Municipal Revenue Sharing.** Reflecting the increases in sales and income taxes previously discussed, municipal revenue sharing transfers are forecasted to increase (a net decrease

in general fund revenue) by \$23.1 million in FY22, by \$21.1 million in FY23 and by \$42.3 million for the 2024-2025 biennium.

- **Income from Investments.** Income from investments is forecast to increase by \$2.3 million in FY22, \$1.6 million for FY23 and by \$8.2 million for the 2024-2025 biennium. The FY22 increase is the result of increased fund balance assumptions, while increased fund balances and higher cash pool rate projections are assumed for FY23 through FY25.
- **Other Taxes and Fees – Real Estate Transfer Tax.** The forecast for real estate transfer tax revenue is increased by \$3.8 million in FY22, \$3.0 million in FY23 and \$6.3 million for the 2024-2025 biennium. The forecast is based on the recent increase in residential home sales because of the pandemic and a more optimistic forecast from the CEFC going forward.
- **Other Taxes and Fees - Milk Handling Fee/Transfer to Maine Milk Pool.** The forecast for revenue from the milk handling fee is adjusted downward by \$0.5 million for FY22 and downward by \$0.9 million per year for FY23 through FY25 based on assumptions of increased milk prices and declining milk production. The forecast for transfers to the milk pool is adjusted downward (positive impact on General Fund) by \$1.3 million for FY22, \$3.9 million for FY23 and by \$4.2 million for the 2024-2025 biennium. Changes from the May 2021 forecast reflect a continued trend of better than anticipated Federal Blend/CWT prices accompanied by decreases in the anticipated average support/cwt payment. The forecast reflects the limited long-term forecasting available and the ongoing volatility in dairy markets.
- **Other Taxes and Fees – Casino Revenue.** The forecast for revenue from casino operations is adjusted upward by \$1.2 million in FY 22 but downward by \$0.9 million for FY23 and by \$2.0 million for the 2024-2025 biennium. The FY22 adjustment reflects more devices (slot machines/table games) in play than originally estimated in the May 2021 forecast. The forecast for FY23-25 incorporates individual growth rates for each facility and device, reflecting historical growth/loss trends.

Highway Fund Summary

	FY21	FY22	FY23	FY24	FY25
Current Forecast	\$334,002,888	\$330,718,893	\$336,498,686	\$338,890,388	\$341,317,487
Annual % Growth	2.1%	-1.0%	1.7%	0.7%	0.7%
Net Increase (Decrease)	\$0	\$4,035,421	\$1,890,604	\$1,967,461	\$1,987,349
Revised Forecast	\$334,002,888	\$334,754,314	\$338,389,290	\$340,857,849	\$343,304,836
Annual % Growth	2.1%	0.2%	1.1%	0.7%	0.7%

Highway Fund revenue estimates are revised upward by \$4.0 million for FY22 and by \$1.9 million for FY23 for a total increase of \$5.9 million (0.9%) for the 2022-2023 biennium. The forecasted rate of year-over-year growth for Highway Fund revenue for FY22 is 0.2% and for FY23 is 1.1%. The forecast for the 2024-2025 biennium is revised upward by \$4.0 million with a forecasted rate of year-over-year growth of 0.7% per year for FY24 and FY25. The Highway Fund revenue changes are largely the result of increases in the motor vehicle registration and fees and the other highway fund revenue lines, while the motor fuels tax lines are unchanged.

Fund for a Healthy Maine Summary

	FY21	FY22	FY23	FY24	FY25
Current Forecast	\$51,082,487	\$42,935,182	\$41,457,572	\$41,565,125	\$41,578,278
Annual % Growth	3.1%	-15.9%	-3.4%	0.3%	0.0%
Net Increase (Decrease)	\$0	\$2,495,587	\$6,250,546	(\$6,643,204)	(\$6,619,944)
Revised Forecast	\$51,082,487	\$45,430,770	\$47,708,118	\$34,921,921	\$34,958,334
Annual % Growth	3.1%	-11.1%	5.0%	-26.8%	0.1%

Fund for a Healthy Maine (FHM) revenue estimates are revised upward by \$2.5 million for FY22 and by \$6.3 million for FY23, but revised downward by \$6.6 million per year for the 2024-2025 biennium. Revenue for the FHM primarily derives from the state’s annual Tobacco Settlement Payment (TSP). As in previous forecasts, the forecast for TSPs is based on the latest forecast from the National Association of Attorneys General (NAAG). The increases for the 2022-2023 biennium assume no withholding by participating manufacturers because settlements have already been reached for the affected years. The 2024-2025 forecast assumes full withholding by participating manufacturers as a conservative assumption given final settlements have not been reached for the affected years. The FHM revenue estimate from the Hollywood Casino Bangor is increased slightly for FY22 but decreased for FY 23 through FY25 consistent with the larger changes in the forecast for this revenue source. The FHM forecast also assumes increased revenue from income from investments.

Medicaid/MaineCare Dedicated Revenue Taxes Summary

	FY21	FY22	FY23	FY24	FY25
Current Forecast	\$208,221,403	\$228,359,689	\$232,391,701	\$232,391,701	\$232,391,701
Annual % Growth	-2.8%	9.7%	1.8%	0.0%	0.0%
Net Increase (Decrease)	\$0	(\$2,668,896)	(\$1,327,411)	(\$1,327,411)	(\$1,327,411)
Revised Forecast	\$208,221,403	\$225,690,793	\$231,064,290	\$231,064,290	\$231,064,290
Annual % Growth	-2.8%	8.4%	2.4%	0.0%	0.0%

Medicaid/MaineCare Dedicated revenue estimates are revised downward by \$2.7 million for FY22 and by \$1.3 million per year for FY23 through FY25. These net negative adjustments for FY 22 and FY 23 assume increases in dedicated revenue from the nursing facility and residential treatment facility taxes that are offset by decreases in dedicated revenue from the service provider tax. These assumptions are carried forward through the forecast period.

Conclusion

Over the last two years both the CEFC and RFC have made unusually large adjustments to their previous forecasts as both forecasting groups, along with other economic and revenue forecasters, have tried to understand and adjust to changing health and economic conditions caused by the historic global pandemic. In addition, the fiscal and monetary response by Congress and the Federal Reserve System is the largest as a percentage of GDP since the Great Depression and has included tax and expenditure programs unique to the economic dislocations caused by the pandemic induced recession.

The significant revenue increases estimated in this forecast represent the latest thinking by economic forecasters on the trajectory of the U.S. and Maine economies over the next four years. As the last few days have shown, the historic COVID-19 pandemic remains highly uncertain and variants can appear unexpectedly and spread across the globe quickly. Most of the short-term risk to the current revenue forecast is positive, while ongoing issues (inflation, stock and real estate market valuations, supply chain and labor force constraints etc.) facing the economy make the FY23-25 portions of the forecast volatile and susceptible to significant downside risk. The short time horizon between this forecast exercise and the next one in early CY22 doesn’t provide a lot of time for many of the global challenges to be resolved, which means the long-term part of this forecast will remain uncertain until late next year.



Appendix A

General Fund Summary Table

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2021 FORECAST

Source	FY17 Actual	FY18 Actual	% Chg.	FY19 Actual	% Chg.	FY20 Actual	% Chg.	FY21 Actual	% Chg.	FY21 Budget	FY21 Variance	% Var
Sales and Use Tax	1,336,944,791	1,423,551,101	6.5%	1,503,771,784	5.6%	1,555,713,076	3.5%	1,804,226,077	16.0%	1,770,861,678	33,364,399	1.9%
Service Provider Tax	61,211,051	59,601,858	-2.6%	59,012,956	-1.0%	58,012,511	-1.7%	51,350,442	-11.5%	52,562,000	(1,211,558)	-2.3%
Individual Income Tax	1,523,852,981	1,595,191,847	4.7%	1,701,005,768	6.6%	1,835,972,805	7.9%	2,069,715,593	12.7%	1,806,896,250	262,819,343	14.5%
Corporate Income Tax	175,239,114	185,737,065	6.0%	252,866,884	36.1%	216,131,489	-14.5%	284,316,774	31.5%	246,035,000	38,281,774	15.6%
Cigarette and Tobacco Tax	144,243,207	132,949,700	-7.8%	125,977,694	-5.2%	137,331,317	9.0%	147,228,383	7.2%	142,690,000	4,538,383	3.2%
Insurance Companies Tax	76,553,592	73,468,185	-4.0%	77,277,183	5.2%	82,145,116	6.3%	84,462,691	2.8%	84,350,000	112,691	0.1%
Estate Tax	11,717,686	13,801,409	17.8%	15,851,350	14.9%	21,079,344	33.0%	40,399,594	91.7%	40,050,000	349,594	0.9%
Other Taxes and Fees *	148,183,240	145,822,739	-1.6%	150,110,769	2.9%	139,144,510	-7.3%	157,423,377	13.1%	147,077,207	10,346,170	7.0%
Fines, Forfeits and Penalties	19,589,175	18,402,955	-6.1%	15,485,118	-15.9%	9,986,146	-35.5%	8,720,806	-12.7%	10,154,186	(1,433,380)	-14.1%
Income from Investments	3,592,268	6,601,717	83.8%	12,474,570	89.0%	12,121,418	-2.8%	6,748,690	-44.3%	6,296,062	452,628	7.2%
Transfer from Lottery Commission	58,219,690	62,307,123	7.0%	62,675,109	0.6%	64,589,742	3.1%	70,647,717	9.4%	65,000,000	5,647,717	8.7%
Transfers to Tax Relief Programs *	(63,961,530)	(65,413,185)	-2.3%	(68,087,807)	-4.1%	(74,637,969)	-9.6%	(75,987,519)	-1.8%	(74,462,300)	(1,525,219)	-2.0%
Transfers to Municipal Rev. Sharing	(65,228,793)	(69,338,529)	-6.3%	(74,095,532)	-6.9%	(113,613,360)	-53.3%	(156,047,730)	-37.3%	(148,226,685)	(7,821,045)	-5.3%
Other Revenue *	24,747,389	4,991,864	-79.8%	14,185,246	184.2%	25,367,559	78.8%	27,386,250	8.0%	21,659,433	5,726,816	26.4%
Total - General Fund Revenue	3,454,903,862	3,587,675,847	3.8%	3,848,511,092	7.3%	3,969,343,702	3.1%	4,520,591,145	13.9%	4,170,942,832	349,648,313	8.4%

* Additional detail provided on pages 4, 5 and 6

1/ Includes revenue from marijuana sales. This forecast assumes gross sales tax revenue of \$12.3 million in FY22; \$18.0 million in FY23; \$22 million in FY24 and \$27 million in FY25. These estimates are gross amounts before transfers to the Local Government Fund and the Adult Use Marijuana Public Health and Safety Fund. Total transfers to the Adult Use Marijuana Public Health and Safety Fund from sales and excise taxes are included in Other Revenue and are estimated to be \$2.2 million in FY 22; \$3.6 million in FY23; \$4.6 million in FY24 and \$5.6 million in FY25.

2/ Includes revenue from the marijuana excise tax. This forecast assumes gross excise tax revenue of \$7.7 million in FY22; \$13.2 million in FY23; \$16.7 million in FY24 and \$20.7 million in FY25. These estimates are gross amounts before transfers to the Adult Use Marijuana Public Health and Safety Fund. Total transfers to the Adult Use Marijuana Public Health and Safety Fund from sales and excise taxes are included in Other Revenue and are estimated to be \$2.2 million in FY 22; \$3.6 million in FY23; \$4.6 million in FY24 and \$5.6 million in FY25.

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2021 FORECAST

Source	FY22 Budget	% Chg.	Recom. Chg.	FY22 Revised	% Chg.	FY23 Budget	% Chg.	Recom. Chg.	FY23 Revised	% Chg.
Sales and Use Tax ¹	1,805,653,322	0.1%	209,000,000	2,014,653,322	11.7%	1,872,121,337	3.7%	204,500,000	2,076,621,337	3.1%
Service Provider Tax	51,000,000	-0.7%	0	51,000,000	-0.7%	50,000,000	-2.0%	0	50,000,000	-2.0%
Individual Income Tax	1,844,500,000	-10.9%	203,750,000	2,048,250,000	-1.0%	1,949,440,230	5.7%	155,000,000	2,104,440,230	2.7%
Corporate Income Tax	220,033,737	-22.6%	35,000,000	255,033,737	-10.3%	238,848,199	8.6%	35,000,000	273,848,199	7.4%
Cigarette and Tobacco Tax ²	150,427,000	2.2%	318,000	150,745,000	2.4%	153,209,000	1.8%	652,000	153,861,000	2.1%
Insurance Companies Tax	88,250,000	4.5%	0	88,250,000	4.5%	88,800,000	0.6%	0	88,800,000	0.6%
Estate Tax	25,850,000	-36.0%	6,100,000	31,950,000	-20.9%	18,500,000	-28.4%	3,650,000	22,150,000	-30.7%
Other Taxes and Fees *	146,326,177	-7.0%	3,776,408	150,102,585	-4.7%	149,567,326	2.2%	680,935	150,248,261	0.1%
Fines, Forfeits and Penalties	12,415,381	42.4%	(2,527,535)	9,887,846	13.4%	12,043,139	-3.0%	(150,000)	11,893,139	20.3%
Income from Investments	2,937,863	-56.5%	2,290,043	5,227,906	-22.5%	1,821,784	-38.0%	1,571,898	3,393,682	-35.1%
Transfer from Lottery Commission	60,000,000	-15.1%	5,000,000	65,000,000	-8.0%	60,000,000	0.0%	0	60,000,000	-7.7%
Transfers to Tax Relief Programs *	(76,150,000)	-0.2%	0	(76,150,000)	-0.2%	(79,700,000)	-4.7%	0	(79,700,000)	-4.7%
Transfers to Municipal Rev. Sharing	(180,250,232)	-15.5%	(23,051,551)	(203,301,783)	-30.3%	(209,052,455)	-16.0%	(21,117,415)	(230,169,870)	-13.2%
Other Revenue *	28,161,671	2.8%	3,516,982	31,678,653	15.7%	19,788,943	-29.7%	(714,415)	19,074,528	-39.8%
Total - General Fund Revenue	4,179,154,919	-7.6%	443,172,347	4,622,327,266	2.3%	4,325,387,503	3.5%	379,073,003	4,704,460,506	1.8%
Change in Biennial Totals								822,245,350		

* Additional detail provided on pages 4, 5 and 6

1/ Includes revenue from marijuana sales. This forecast assumes gross sales tax revenue of \$12.3 million in FY22; \$18.0 million in FY23; \$22 million in FY24 and \$27 million in FY25. These estimates are gross amounts before transfers to the Local Government Fund and the Adult Use Marijuana Public Health and Safety Fund. Total transfers to the Adult Use Marijuana Public Health and Safety Fund from sales and excise taxes are included in Other Revenue and are estimated to be \$2.2 million in FY 22; \$3.6 million in FY23; \$4.6 million in FY24 and \$5.6 million in FY25.

2/ Includes revenue from the marijuana excise tax. This forecast assumes gross excise tax revenue of \$7.7 million in FY22; \$13.2 million in FY23; \$16.7 million in FY24 and \$20.7 million in FY25. These estimates are gross amounts before transfers to the Adult Use Marijuana Public Health and Safety Fund. Total transfers to the Adult Use Marijuana Public Health and Safety Fund from sales and excise taxes are included in Other Revenue and are estimated to be \$2.2 million in FY 22; \$3.6 million in FY23; \$4.6 million in FY24 and \$5.6 million in FY25.

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2021 FORECAST

Source	FY24 Budget	% Chg.	Recom. Chg.	FY24 Revised	% Chg.	FY25 Budget	% Chg.	Recom. Chg.	FY25 Revised	% Chg.
Sales and Use Tax ¹	1,935,117,000	3.4%	198,000,000	2,133,117,000	2.7%	1,982,382,100	2.4%	207,500,000	2,189,882,100	2.7%
Service Provider Tax	49,500,000	-1.0%	0	49,500,000	-1.0%	49,000,000	-1.0%	0	49,000,000	-1.0%
Individual Income Tax	2,033,640,855	4.3%	171,000,000	2,204,640,855	4.8%	2,127,884,855	4.6%	175,000,000	2,302,884,855	4.5%
Corporate Income Tax	266,568,000	11.6%	48,000,000	314,568,000	14.9%	278,985,000	4.7%	53,500,000	332,485,000	5.7%
Cigarette and Tobacco Tax ²	155,035,000	1.2%	98,000	155,133,000	0.8%	158,437,000	2.2%	(1,016,000)	157,421,000	1.5%
Insurance Companies Tax	86,100,000	-3.0%	0	86,100,000	-3.0%	87,050,000	1.1%	0	87,050,000	1.1%
Estate Tax	19,100,000	3.2%	3,150,000	22,250,000	0.5%	19,700,000	3.1%	3,250,000	22,950,000	3.1%
Other Taxes and Fees *	149,753,040	0.1%	801,846	150,554,886	0.2%	150,258,087	0.3%	667,595	150,925,682	0.2%
Fines, Forfeits and Penalties	12,047,139	0.0%	(150,000)	11,897,139	0.0%	12,051,339	0.0%	(150,000)	11,901,339	0.0%
Income from Investments	1,765,068	-3.1%	3,831,388	5,596,456	64.9%	2,133,624	20.9%	4,322,405	6,456,029	15.4%
Transfer from Lottery Commission	60,000,000	0.0%	0	60,000,000	0.0%	60,000,000	0.0%	0	60,000,000	0.0%
Transfers to Tax Relief Programs *	(83,100,000)	-4.3%	0	(83,100,000)	-4.3%	(86,700,000)	-4.3%	0	(86,700,000)	-4.3%
Transfers to Municipal Rev. Sharing	(217,516,383)	-4.0%	(20,669,980)	(238,186,363)	-3.5%	(225,150,568)	-3.5%	(21,621,948)	(246,772,516)	-3.6%
Other Revenue *	16,392,808	-17.2%	(2,152,661)	14,240,147	-25.3%	12,657,036	-22.8%	(1,762,435)	10,894,601	-23.5%
Total - General Fund Revenue	4,484,402,527	3.7%	401,908,593	4,886,311,120	3.9%	4,628,688,473	3.2%	419,689,617	5,048,378,090	3.3%
								821,598,210		

* Additional detail provided on pages 4, 5 and 6

1/ Includes revenue from marijuana sales. This forecast assumes gross sales tax revenue of \$12.3 million in FY22; \$18.0 million in FY23; \$22 million in FY24 and \$27 million in FY25. These estimates are gross amounts before transfers to the Local Government Fund and the Adult Use Marijuana Public Health and Safety Fund. Total transfers to the Adult Use Marijuana Public Health and Safety Fund from sales and excise taxes are included in Other Revenue and are estimated to be \$2.2 million in FY 22; \$3.6 million in FY23; \$4.6 million in FY24 and \$5.6 million in FY25.

2/ Includes revenue from the marijuana excise tax. This forecast assumes gross excise tax revenue of \$7.7 million in FY22; \$13.2 million in FY23; \$16.7 million in FY24 and \$20.7 million in FY25. These estimates are gross amounts before transfers to the Adult Use Marijuana Public Health and Safety Fund. Total transfers to the Adult Use Marijuana Public Health and Safety Fund from sales and excise taxes are included in Other Revenue and are estimated to be \$2.2 million in FY 22; \$3.6 million in FY23; \$4.6 million in FY24 and \$5.6 million in FY25.

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2021 FORECAST

Source	FY17 Actual	FY18 Actual	% Chg.	FY19 Actual	% Chg.	FY20 Actual	% Chg.	FY21 Actual	% Chg.	FY21 Budget	FY21 Variance	% Var
Detail of Other Taxes and Fees:												
- Property Tax - Unorganized Territory	13,578,696	14,188,381	4.5%	13,334,138	-6.0%	12,547,461	-5.9%	13,920,825	10.9%	14,713,169	(792,344)	-5.4%
- Real Estate Transfer Tax	17,059,116	15,927,432	-6.6%	19,105,924	20.0%	16,501,776	-13.6%	22,091,539	33.9%	21,655,753	435,786	2.0%
- Liquor Taxes and Fees	23,249,843	23,680,230	1.9%	23,931,346	1.1%	20,854,729	-12.9%	22,871,027	9.7%	22,093,824	777,203	3.5%
- Corporation Fees & Licenses	10,540,087	11,094,542	5.3%	10,759,676	-3.0%	11,777,263	9.5%	15,039,682	27.7%	11,138,649	3,901,033	35.0%
- Telecommunications Excise Tax	6,248,478	6,221,980	-0.4%	6,317,492	1.5%	6,418,268	1.6%	6,724,254	4.8%	6,500,000	224,254	3.5%
- Finance Industry Fees	30,019,796	29,201,565	-2.7%	29,082,500	-0.4%	27,952,210	-3.9%	27,220,420	-2.6%	26,957,740	262,680	1.0%
- Milk Handling Fee	4,613,496	4,916,070	6.6%	4,848,648	-1.4%	1,676,018	-65.4%	3,880,801	131.5%	3,546,767	334,034	9.4%
- Casino and Racino Revenue	8,624,011	8,367,971	-3.0%	8,468,389	1.2%	6,542,913	-22.7%	7,234,295	10.6%	6,744,803	489,492	7.3%
- Boat, ATV and Snowmobile Fees	4,712,468	4,482,839	-4.9%	4,700,071	4.8%	4,970,419	5.8%	5,337,040	7.4%	4,523,561	813,479	18.0%
- Hunting and Fishing License Fees	16,268,782	16,164,837	-0.6%	16,282,770	0.7%	16,514,289	1.4%	18,861,172	14.2%	15,986,716	2,874,456	18.0%
- Other Miscellaneous Taxes and Fees	13,268,468	11,576,892	-12.7%	13,279,816	14.7%	13,389,164	0.8%	14,242,321	6.4%	13,216,225	1,026,096	7.8%
Subtotal - Other Taxes and Fees	148,183,240	145,822,739	-1.6%	150,110,769	2.9%	139,144,510	-7.3%	157,423,377	13.1%	147,077,207	10,346,170	7.0%
Detail of Other Revenue:												
- Liquor Sales and Operations	9,860,579	50,272	-99.5%	56,150	11.7%	55,400	-1.3%	95,910	73.1%	28,500	67,410	236.5%
- Targeted Case Management (HHS)	1,820,831	607,782	-66.6%	246,356	-59.5%	80,953	-67.1%	42,585	-47.4%	83,160	(40,575)	-48.8%
- State Cost Allocation Program	19,459,021	17,229,423	-11.5%	18,291,345	6.2%	24,911,989	36.2%	28,721,621	15.3%	27,891,450	830,171	3.0%
- Unclaimed Property Transfer	5,767,234	6,565,469	13.8%	9,592,815	46.1%	10,830,298	12.9%	14,232,174	31.4%	12,200,000	2,032,174	16.7%
- Tourism Transfer	(14,590,665)	(16,076,758)	-10.2%	(17,171,837)	-6.8%	(18,150,386)	-5.7%	(17,076,345)	5.9%	(17,076,345)	(0)	0.0%
- Transfer to Maine Milk Pool	(15,233,744)	(15,857,558)	-4.1%	(15,220,840)	4.0%	(9,921,284)	34.8%	(12,438,556)	-25.4%	(12,778,320)	339,764	2.7%
- Transfer to Multimodal Transportation F	(7,908,006)	(8,899,944)	-12.5%	(9,439,886)	-6.1%	(11,138,493)	-18.0%	(9,911,067)	11.0%	(9,911,067)	(0)	0.0%
- Other Miscellaneous Revenue	25,572,140	21,373,178	-16.4%	27,831,142	30.2%	28,699,082	3.1%	23,719,928	-17.3%	21,222,056	2,497,872	11.8%
Subtotal - Other Revenue	24,747,389	4,991,864	-79.8%	14,185,246	184.2%	25,367,559	78.8%	27,386,250	8.0%	21,659,434	5,726,815	26.4%
Detail of Transfers to Tax Relief Programs:												
- Maine Resident Property Tax Program	(60,303)	35,130	158.3%	(12,497)	-135.6%	47,546	480.5%	(15,504)	-132.6%	0	(15,504)	N/A
- BETR - Business Equip. Tax Reimb.	(31,511,125)	(29,863,832)	5.2%	(24,913,358)	16.6%	(25,490,793)	-2.3%	(21,961,345)	13.8%	(20,500,000)	(1,461,345)	-7.1%
- BETE - Municipal Bus. Equip. Tax Reim	(32,390,102)	(35,584,483)	-9.9%	(43,161,952)	-21.3%	(49,194,722)	-14.0%	(54,010,670)	-9.8%	(53,962,300)	(48,370)	-0.1%
Subtotal - Tax Relief Transfers	(63,961,530)	(65,413,185)	-2.3%	(68,087,807)	-4.1%	(74,637,969)	-9.6%	(75,987,519)	-1.8%	(74,462,300)	(1,525,219)	-2.0%
IF&W Total Revenue **	22,015,827	21,596,400	-1.9%	21,933,023	1.6%	22,314,353	1.7%	24,929,478	11.7%	21,355,533	3,573,945	16.7%

** 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 - DECEMBER 2021 FORECAST

Source	FY22 Budget	% Chg.	Recom. Chg.	FY22 Revised	% Chg.	FY23 Budget	% Chg.	Recom. Chg.	FY23 Revised	% Chg.
Detail of Other Taxes and Fees:										
- Property Tax - Unorganized Territory	14,813,169	6.4%	0	14,813,169	6.4%	14,813,169	0.0%	0	14,813,169	0.0%
- Real Estate Transfer Tax	22,570,549	2.2%	3,836,807	26,407,356	19.5%	23,564,231	4.4%	2,965,522	26,529,753	0.5%
- Liquor Taxes and Fees	22,093,824	-3.4%	0	22,093,824	-3.4%	22,093,824	0.0%	0	22,093,824	0.0%
- Corporation Fees & Licenses	10,438,649	-30.6%	0	10,438,649	-30.6%	10,438,649	0.0%	0	10,438,649	0.0%
- Telecommunications Excise Tax	6,200,000	-7.8%	0	6,200,000	-7.8%	6,200,000	0.0%	0	6,200,000	0.0%
- Finance Industry Fees	26,916,990	-1.1%	0	26,916,990	-1.1%	26,916,990	0.0%	0	26,916,990	0.0%
- Milk Handling Fee	1,777,656	-54.2%	(526,596)	1,251,060	-67.8%	1,777,656	0.0%	(888,828)	888,828	-29.0%
- Casino and Racino Revenue	7,157,794	-1.1%	1,213,246	8,371,040	15.7%	9,461,830	32.2%	(892,986)	8,568,844	2.4%
- Boat, ATV and Snowmobile Fees	4,523,561	-15.2%	0	4,523,561	-15.2%	4,559,561	0.8%	0	4,559,561	0.8%
- Hunting and Fishing License Fees	15,991,706	-15.2%	0	15,991,706	-15.2%	15,991,706	0.0%	0	15,991,706	0.0%
- Other Miscellaneous Taxes and Fees	13,842,279	-2.8%	(747,049)	13,095,230	-8.1%	13,749,710	-0.7%	(502,773)	13,246,937	1.2%
Subtotal - Other Taxes and Fees	146,326,177	-7.0%	3,776,408	150,102,585	-4.7%	149,567,326	2.2%	680,935	150,248,261	0.1%
Detail of Other Revenue:										
- Liquor Sales and Operations	28,500	-70.3%	0	28,500	-70.3%	28,500	0.0%	0	28,500	0.0%
- Targeted Case Management (HHS)	83,160	95.3%	(83,160)	0	-100.0%	83,160	0.0%	(83,160)	0	N/A
- State Cost Allocation Program	25,918,434	-9.8%	0	25,918,434	-9.8%	26,436,803	2.0%	0	26,436,803	2.0%
- Unclaimed Property Transfer	6,200,000	-56.4%	3,000,000	9,200,000	-35.4%	4,700,000	-24.2%	3,000,000	7,700,000	-16.3%
- Tourism Transfer	(14,869,000)	12.9%	(604,162)	(15,473,162)	9.4%	(18,973,000)	-27.6%	(2,231,000)	(21,204,000)	-37.0%
- Transfer to Maine Milk Pool	(5,992,693)	51.8%	1,319,275	(4,673,418)	62.4%	(4,895,402)	18.3%	3,870,979	(1,024,423)	78.1%
- Transfer to Multimodal Transportation Fund	(7,012,000)	29.3%	(379,785)	(7,391,785)	25.4%	(10,392,000)	-48.2%	(4,319,000)	(14,711,000)	-99.0%
- Other Miscellaneous Revenue	23,805,270	0.4%	264,814	24,070,084	1.5%	22,800,882	-4.2%	(952,234)	21,848,648	-9.2%
Subtotal - Other Revenue	28,161,671	2.8%	3,516,982	31,678,653	15.7%	19,788,943	-29.7%	(714,415)	19,074,528	-39.8%
Detail of Transfers to Tax Relief Programs:										
- Maine Resident Property Tax Program	0	100.0%	0	0	100.0%	0	N/A	0	0	N/A
- BETR - Business Equip. Tax Reimb.	(19,100,000)	13.0%	0	(19,100,000)	13.0%	(17,800,000)	6.8%	0	(17,800,000)	6.8%
- BETE - Municipal Bus. Equip. Tax Reimb.	(57,050,000)	-5.6%	0	(57,050,000)	-5.6%	(61,900,000)	-8.5%	0	(61,900,000)	-8.5%
Subtotal - Tax Relief Transfers	(76,150,000)	-0.2%	0	(76,150,000)	-0.2%	(79,700,000)	-4.7%	0	(79,700,000)	-4.7%
IF&W Total Revenue **	21,476,288	-13.9%	0	21,476,288	-13.9%	21,519,719	0.2%	0	21,519,719	0.2%

** 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 - DECEMBER 2021 FORECAST

Source	FY24 Budget	% Chg.	Recom. Chg.	FY24 Revised	% Chg.	FY25 Budget	% Chg.	Recom. Chg.	FY25 Revised	% Chg.
Detail of Other Taxes and Fees:										
- Property Tax - Unorganized Territory	14,813,169	0.0%	0	14,813,169	0.0%	14,813,169	0.0%	0	14,813,169	0.0%
- Real Estate Transfer Tax	23,841,000	1.2%	3,215,515	27,056,515	2.0%	24,299,300	1.9%	3,065,520	27,364,820	1.1%
- 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	10,438,649	0.0%	0	10,438,649	0.0%	10,438,649	0.0%	0	10,438,649	0.0%
- Telecommunications Excise Tax	6,200,000	0.0%	0	6,200,000	0.0%	6,200,000	0.0%	0	6,200,000	0.0%
- Finance Industry Fees	26,916,990	0.0%	0	26,916,990	0.0%	26,916,990	0.0%	0	26,916,990	0.0%
- Milk Handling Fee	1,777,656	0.0%	(888,828)	888,828	0.0%	1,777,656	0.0%	(888,828)	888,828	0.0%
- Casino and Racino Revenue	9,650,171	2.0%	(1,022,068)	8,628,103	0.7%	9,694,102	0.5%	(1,006,324)	8,687,778	0.7%
- Boat, ATV and Snowmobile Fees	4,559,561	0.0%	0	4,559,561	0.0%	4,559,561	0.0%	0	4,559,561	0.0%
- Hunting and Fishing License Fees	15,991,706	0.0%	0	15,991,706	0.0%	15,991,706	0.0%	0	15,991,706	0.0%
- Other Miscellaneous Taxes and Fees	13,470,314	-2.0%	(502,773)	12,967,541	-2.1%	13,473,130	0.0%	(502,773)	12,970,357	0.0%
Subtotal - Other Taxes and Fees	149,753,040	0.1%	801,846	150,554,886	0.2%	150,258,087	0.3%	667,595	150,925,682	0.2%
Detail of Other Revenue:										
- 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)	83,160	0.0%	(83,160)	0	N/A	83,160	0.0%	(83,160)	0	N/A
- State Cost Allocation Program	26,436,803	0.0%	0	26,436,803	0.0%	26,436,803	0.0%	0	26,436,803	0.0%
- Unclaimed Property Transfer	3,200,000	-31.9%	3,000,000	6,200,000	-19.5%	2,000,000	-37.5%	3,000,000	5,000,000	-19.4%
- Tourism Transfer	(19,535,000)	-3.0%	(2,520,000)	(22,055,000)	-4.0%	(20,445,000)	-4.7%	(2,397,000)	(22,842,000)	-3.6%
- Transfer to Maine Milk Pool	(4,891,497)	0.1%	2,093,384	(2,798,113)	-173.1%	(4,887,553)	0.1%	2,091,303	(2,796,250)	0.1%
- Transfer to Multimodal Transportation Fund	(10,920,000)	-5.1%	(3,579,000)	(14,499,000)	1.4%	(11,330,000)	-3.8%	(3,441,000)	(14,771,000)	-1.9%
- Other Miscellaneous Revenue	21,990,842	-3.6%	(1,063,885)	20,926,957	-4.2%	20,771,126	-5.5%	(932,578)	19,838,548	-5.2%
Subtotal - Other Revenue	16,392,808	-17.2%	(2,152,661)	14,240,147	-25.3%	12,657,036	-22.8%	(1,762,435)	10,894,601	-23.5%
Detail of Transfers to Tax Relief Programs:										
- Maine Resident Property Tax Program	0	N/A	0	0	N/A	0	N/A	0	0	N/A
- BETR - Business Equip. Tax Reimb.	(16,650,000)	6.5%	0	(16,650,000)	6.5%	(15,600,000)	6.3%	0	(15,600,000)	6.3%
- BETE - Municipal Bus. Equip. Tax Reimb.	(66,450,000)	-7.4%	0	(66,450,000)	-7.4%	(71,100,000)	-7.0%	0	(71,100,000)	-7.0%
Subtotal - Tax Relief Transfers	(83,100,000)	-4.3%	0	(83,100,000)	-4.3%	(86,700,000)	-4.3%	0	(86,700,000)	-4.3%
IF&W Total Revenue **	21,522,508	0.0%	0	21,522,508	0.0%	21,525,324	0.0%	0	21,525,324	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 - DECEMBER 2021 FORECAST

Source	FY17 Actual	FY18 Actual	% Chg.	FY19 Actual	% Chg.	FY20 Actual	% Chg.	FY 21 Actual	% Chg.	FY21 Budget	FY21 Variance	% Var.
Fuel Taxes												
- Gasoline Tax	\$201,581,952	206,410,302	2.4%	205,925,094	-0.2%	194,181,501	-5.7%	183,413,666	-5.5%	186,299,525	(2,885,859)	-1.5%
- Special Fuel and Road Use Taxes	\$50,364,054	43,150,896	-14.3%	49,588,218	14.9%	47,413,587	-4.4%	47,862,849	0.9%	46,789,000	1,073,849	2.3%
- Transcap Transfers - Fuel Taxes	(\$18,589,483)	(18,398,369)	1.0%	(18,777,306)	-2.1%	(17,774,919)	5.3%	(17,005,855)	4.3%	(17,137,716)	131,861	0.8%
- Other Fund Gasoline Tax Distributions	(\$5,065,081)	(5,166,427)	-2.0%	(5,149,578)	0.3%	(4,849,535)	5.8%	(4,599,935)	5.1%	(4,666,041)	66,106	1.4%
Subtotal - Fuel Taxes	\$228,291,442	225,996,401	-1.0%	231,586,428	2.5%	218,970,635	-5.4%	209,670,726	-4.2%	211,284,768	(1,614,042)	-0.8%
Motor Vehicle Registration and Fees												
- Motor Vehicle Registration Fees	\$68,345,517	68,660,358	0.5%	69,615,829	1.4%	64,969,278	-6.7%	75,801,035	16.7%	71,868,632	3,932,403	5.5%
- License Plate Fees	\$3,709,500	3,747,816	1.0%	3,861,249	3.0%	3,829,530	-0.8%	4,047,896	5.7%	3,817,643	230,253	6.0%
- Long-term Trailer Registration Fees	\$11,768,669	13,279,792	12.8%	15,134,872	14.0%	14,186,866	-6.3%	15,281,749	7.7%	12,384,523	2,897,226	23.4%
- Title Fees	\$14,298,502	14,526,092	1.6%	15,181,423	4.5%	14,523,225	-4.3%	16,861,221	16.1%	15,525,795	1,335,426	8.6%
- Motor Vehicle Operator License Fees	\$8,956,575	8,752,147	-2.3%	9,521,698	8.8%	8,646,784	-9.2%	11,177,496	29.3%	10,107,411	1,070,085	10.6%
- Transcap Transfers - Motor Vehicle Fees	(\$16,101,245)	(16,191,340)	-0.6%	(16,384,440)	-1.2%	(15,507,585)	5.4%	(17,849,524)	-15.1%	(17,453,983)	(395,541)	-2.3%
Subtotal - Motor Vehicle Reg. & Fees	\$90,977,518	92,774,864	2.0%	96,930,631	4.5%	90,648,098	-6.5%	105,319,873	16.2%	96,250,021	9,069,852	9.4%
Motor Vehicle Inspection Fees	\$3,410,700	3,373,100	-1.1%	3,324,510	-1.4%	3,120,970	-6.1%	3,098,522	-0.7%	2,753,228	345,294	12.5%
Other Highway Fund Taxes and Fees	\$1,378,535	1,490,993	8.2%	1,508,539	1.2%	1,280,909	-15.1%	1,629,051	27.2%	1,367,454	261,597	19.1%
Fines, Forfeits and Penalties	\$719,555	724,478	0.7%	610,373	-15.7%	899,735	47.4%	1,248,923	38.8%	426,101	822,822	193.1%
Income from Investments	\$348,432	326,847	-6.2%	893,027	173.2%	257,790	-71.1%	305,414	18.5%	261,450	43,964	16.8%
Other Highway Fund Revenues	\$9,191,942	10,943,111	19.1%	11,640,306	6.4%	11,998,433	3.1%	12,730,378	6.1%	12,100,331	630,047	5.2%
Total - Highway Fund Revenue	\$334,318,123	335,629,795	0.4%	346,493,814	3.2%	327,176,570	-5.6%	334,002,888	2.1%	324,443,353	9,559,535	2.9%

HIGHWAY FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2021 FORECAST

Source	FY22 Budget	% Chg.	Recom. Chg.	FY22 Revised	% Chg.	FY23 Budget	% Chg.	Recom. Chg.	FY23 Revised	% Chg.
Fuel Taxes										
- Gasoline Tax	200,950,000	9.6%	0	200,950,000	9.6%	206,453,000	2.7%	0	206,453,000	2.7%
- Special Fuel and Road Use Taxes	46,898,200	-2.0%	0	46,898,200	-2.0%	47,730,673	1.8%	0	47,730,673	1.8%
- Transcap Transfers - Fuel Taxes	(18,211,728)	-7.1%	0	(18,211,728)	-7.1%	(18,676,567)	-2.6%	0	(18,676,567)	-2.6%
- Other Fund Gasoline Tax Distributions	(5,025,156)	-9.2%	0	(5,025,156)	-9.2%	(5,162,768)	-2.7%	0	(5,162,768)	-2.7%
Subtotal - Fuel Taxes	224,611,316	7.1%	0	224,611,316	7.1%	230,344,338	2.6%	0	230,344,338	2.6%
Motor Vehicle Registration and Fees										
- Motor Vehicle Registration Fees	69,162,203	-8.8%	0	69,162,203	-8.8%	69,162,203	0.0%	0	69,162,203	0.0%
- License Plate Fees	3,652,523	-9.8%	0	3,652,523	-9.8%	3,661,097	0.2%	0	3,661,097	0.2%
- Long-term Trailer Registration Fees	10,884,523	-28.8%	500,000	11,384,523	-25.5%	10,884,523	0.0%	500,000	11,384,523	0.0%
- Title Fees	14,325,795	-15.0%	0	14,325,795	-15.0%	14,325,795	0.0%	0	14,325,795	0.0%
- Motor Vehicle Operator License Fees	9,698,036	-13.2%	493,842	10,191,878	-8.8%	9,698,036	0.0%	(137,688)	9,560,348	-6.2%
- Transcap Transfers - Motor Vehicle Fees	(16,518,054)	7.5%	0	(16,518,054)	7.5%	(16,518,054)	0.0%	0	(16,518,054)	0.0%
Subtotal - Motor Vehicle Reg. & Fees	91,205,026	-13.4%	993,842	92,198,868	-12.5%	91,213,600	0.0%	362,312	91,575,912	-0.7%
Motor Vehicle Inspection Fees	3,202,500	3.4%	(187,209)	3,015,291	-2.7%	3,202,500	0.0%	0	3,202,500	6.2%
Other Highway Fund Taxes and Fees	1,267,454	-22.2%	0	1,267,454	-22.2%	1,267,454	0.0%	0	1,267,454	0.0%
Fines, Forfeits and Penalties	606,412	-51.4%	0	606,412	-51.4%	606,412	0.0%	0	606,412	0.0%
Income from Investments	86,864	-71.6%	59,384	146,248	-52.1%	59,917	-31.0%	28,292	88,209	-39.7%
Other Highway Fund Revenues	9,739,321	-23.5%	3,169,404	12,908,725	1.4%	9,804,465	0.7%	1,500,000	11,304,465	-12.4%
Total - Highway Fund Revenue	330,718,893	-1.0%	4,035,421	334,754,314	0.2%	336,498,686	1.7%	1,890,604	338,389,290	1.1%
Change in Biennial Totals								5,926,025		

HIGHWAY FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2021 FORECAST

Source	FY24 Budget	% Chg.	Recom.		FY24 Revised	% Chg.	FY25 Budget	% Chg.	Recom. Chg.		FY25 Revised	% Chg.
			Chg.						Chg.			
Fuel Taxes												
- Gasoline Tax	208,518,000	1.0%	0		208,518,000	1.0%	210,603,770	1.0%	0		210,603,770	1.0%
- Special Fuel and Road Use Taxes	48,293,980	1.2%	0		48,293,980	1.2%	48,862,920	1.2%	0		48,862,920	1.2%
- Transcap Transfers - Fuel Taxes	(18,869,818)	-1.0%	0		(18,869,818)	-1.0%	(19,065,009)	-1.0%	0		(19,065,009)	-1.0%
- Other Fund Gasoline Tax Distributions	(5,214,409)	-1.0%	0		(5,214,409)	-1.0%	(5,266,569)	-1.0%	0		(5,266,569)	-1.0%
Subtotal - Fuel Taxes	232,727,753	1.0%	0		232,727,753	1.0%	235,135,112	1.0%	0		235,135,112	1.0%
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	3,662,986	0.1%	0		3,662,986	0.1%	3,664,608	0.0%	0		3,664,608	0.0%
- Long-term Trailer Registration Fees	10,884,523	0.0%	500,000		11,384,523	0.0%	10,884,523	0.0%	500,000		11,384,523	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	9,698,036	0.0%	(137,688)		9,560,348	0.0%	9,698,036	0.0%	(137,688)		9,560,348	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	91,215,489	0.0%	362,312		91,577,801	0.0%	91,217,111	0.0%	362,312		91,579,423	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	1,267,454	0.0%	0		1,267,454	0.0%	1,267,454	0.0%	0		1,267,454	0.0%
Fines, Forfeits and Penalties	606,412	0.0%	0		606,412	0.0%	606,412	0.0%	0		606,412	0.0%
Income from Investments	66,315	10.7%	105,149		171,464	94.4%	84,433	27.3%	125,037		209,470	22.2%
Other Highway Fund Revenues	9,804,465	0.0%	1,500,000		11,304,465	0.0%	9,804,465	0.0%	1,500,000		11,304,465	0.0%
Total - Highway Fund Revenue	338,890,388	0.7%	1,967,461		340,857,849	0.7%	341,317,487	0.7%	1,987,349		343,304,836	0.7%
Change in Biennial Totals									3,954,810			



Appendix C

Fund for a Healthy Maine Summary Table

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

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2021 FORECAST

Source	FY17 Actual	FY18 Actual	% Chg.	FY19 Actual	% Chg.	FY20 Actual	% Chg.	FY21 Actual	% Chg.	FY21 Budget	FY 21 Variance	% Var.
Tobacco Settlement Payments:												
- Base Payments	42,587,291	46,658,590	9.6%	45,465,742	-2.6%	46,272,664	1.8%	48,584,349	5.0%	48,584,349	0	0.0%
- One-time DPA Settlements *	0	21,242,331		32,488,828	52.9%	0	-100.0%	0	N/A	0	0	N/A
- Strategic Contribution Payments **	8,794,086	0	-100.0%	0	N/A	0	N/A	0	N/A	0	0	N/A
Subtotal TSPs	51,381,377	67,900,922	32.2%	77,954,570	14.8%	46,272,664	-40.6%	48,584,349	5.0%	48,584,349	0	0.0%
Casino Revenue ***	3,797,297	3,680,035	-3.1%	3,640,004	-1.09%	2,773,875	-23.79%	3,376,375	21.7%	3,200,177	176,198	5.5%
Income from Investments	49,454	146,419	196.1%	583,469	298.5%	496,816	-14.9%	115,798	-76.7%	117,238	(1,440)	-1.2%
Other Adjustments ****	0	0	N/A	0	N/A	0	N/A	(994,035)	N/A	0	(994,035)	N/A
Total - FHM Revenue	55,228,128	71,727,375	29.9%	82,178,042	14.6%	49,543,354	-39.7%	51,082,487	3.1%	51,901,764	(819,277)	-1.6%

* 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.

**** Adjustments for prior year balances forward and audit settlements

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

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2021 FORECAST

Source	FY22 Budget	% Chg.	Recom. Chg.	FY22 Revised	% Chg.	FY23 Budget	% Chg.	Recom. Chg.	FY23 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	39,325,133	-19.1%	2,397,084	41,722,218	-14.1%	37,156,619	-5.5%	6,815,088	43,971,707	5.4%
- 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	39,325,133	-19.1%	2,397,084	41,722,218	-14.1%	37,156,619	-5.5%	6,815,088	43,971,707	5.4%
Casino Revenue ***	3,566,662	5.6%	41,261	3,607,923	6.9%	4,288,041	20.2%	(619,003)	3,669,038	1.7%
Income from Investments	43,387	-62.5%	57,242	100,629	-13.1%	12,912	-70.2%	54,461	67,373	-33.0%
Other Adjustments ****	0	100.0%	0	0	100.0%	0	N/A	0	0	N/A
Total - FHM Revenue	42,935,182	-15.9%	2,495,587	45,430,770	-11.1%	41,457,572	-3.4%	6,250,546	47,708,118	5.0%
Change in Biennial Totals								8,746,134		

* 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.

**** Adjustments for prior year balances forward and audit settlements

**FUND FOR A HEALTHY MAINE (FHM) REVENUE
(TOBACCO SETTLEMENT PAYMENTS)
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2021 FORECAST**

Source	FY24 Budget	% Chg.	Recom. Chg.	FY24 Revised	% Chg.	FY25 Budget	% Chg.	Recom. Chg.	FY25 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	37,156,619	0.0%	(6,050,246)	31,106,373	-29.3%	37,156,619	0.0%	(6,050,246)	31,106,373	0.0%
- One-time DPA Settlements *		N/A	0	0	N/A		N/A	0	0	N/A
- Strategic Contribution Payments **		N/A	0	0	N/A		N/A	0	0	N/A
Subtotal TSPs	37,156,619	0.0%	(6,050,246)	31,106,373	-29.3%	37,156,619	0.0%	(6,050,246)	31,106,373	0.0%
Casino Revenue ***	4,395,242	2.5%	(698,686)	3,696,556	0.8%	4,406,230	0.2%	(681,950)	3,724,280	0.7%
Income from Investments	13,264	2.7%	105,728	118,992	76.6%	15,429	16.3%	112,252	127,681	7.3%
Other Adjustments ****	0	N/A	0	0	N/A	0	N/A	0	0	N/A
Total - FHM Revenue	41,565,125	0.3%	(6,643,204)	34,921,921	-26.8%	41,578,278	0.0%	(6,619,944)	34,958,334	0.1%
Change in Biennial Totals								(13,263,149)		

* 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.

**** Adjustments for prior year balances forward and audit settlements



Appendix D

Medicaid/MaineCare Dedicated Revenue Taxes Summary Table

MEDICAID/MAINECARE DEDICATED REVENUE TAXES
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2021 FORECAST

Source	FY 17 Actual	FY18 Actual	% Chg.	FY19 Actual	% Chg.	FY20 Actual	% Chg.	FY21 Actual	% Chg.	FY21 Budget	FY21 Variance	% Var
Nursing Facility Tax	36,162,788	33,755,577	-6.7%	34,999,161	3.7%	43,432,833	24.1%	38,214,675	-12.0%	40,863,804	(2,649,129)	-6.5%
Residential Treatment Facility (ICFs/MR) Tax	1,939,129	2,078,079	7.2%	2,055,506	-1.1%	2,250,322	9.5%	2,537,960	12.8%	2,392,205	145,755	6.1%
Hospital Tax *	95,028,525	103,355,698	8.8%	102,503,718	-0.8%	115,464,903	12.6%	115,888,153	0.4%	115,888,162	(9)	0.0%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)	43,710,762	45,960,421	5.1%	50,424,722	9.7%	52,990,306	5.1%	51,580,615	-2.7%	52,250,796	(670,181)	-1.3%
Total - Health Care Provider Taxes	176,841,205	185,149,775	4.7%	189,983,107	2.6%	214,138,364	12.7%	208,221,403	-2.8%	211,394,967	(3,173,564)	-1.5%

* 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; in PL 2019, c.343 to hospital fiscal years ending during calendar year 2016 beginning in FY 20 and again in PL 2021, c. 29 to hospital fiscal years ending in calendar year 2018 beginning in FY 22.

MEDICAID/MAINECARE DEDICATED REVENUE TAXES
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2021 FORECAST

Source	FY22 Budget	% Chg.	Recom. Chg.	FY22 Revised	% Chg.	FY23 Budget	% Chg.	Recom. Chg.	FY23 Revised	% Chg.
Nursing Facility Tax	40,709,502	6.5%	512,375	41,221,877	7.9%	41,725,243	2.5%	1,418,907	43,144,150	4.7%
Residential Treatment Facility (ICFs/MR) Tax	2,175,357	-14.3%	347,399	2,522,756	-0.6%	148,357	-93.2%	347,399	495,756	-80.3%
Hospital Tax *	127,706,538	10.2%	0	127,706,538	10.2%	127,706,538	0.0%	0	127,706,538	0.0%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)	57,768,292	12.0%	(3,528,670)	54,239,622	5.2%	62,811,563	8.7%	(3,093,717)	59,717,846	10.1%
Total - Health Care Provider Taxes	228,359,689	9.7%	(2,668,896)	225,690,793	8.4%	232,391,701	1.8%	(1,327,411)	231,064,290	2.4%
Change in Biennial Totals								(3,996,307)		

* 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; in PL 2019, c.343 to hospital fiscal years ending during calendar year 2016 beginning in FY 20 and again in PL 2021, c. 29 to hospital fiscal years ending in calendar year 2018 beginning in FY 22.

MEDICAID/MAINECARE DEDICATED REVENUE TAXES
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2021 FORECAST

Source	FY24 Budget	% Chg.	Recom. Chg.	FY24 Revised	% Chg.	FY25 Budget	% Chg.	Recom. Chg.	FY25 Budget	% Chg.
Nursing Facility Tax	41,725,243	0.0%	1,418,907	43,144,150	0.0%	41,725,243	0.0%	1,418,907	43,144,150	0.0%
Residential Treatment Facility (ICFs/MR) Tax	148,357	0.0%	347,399	495,756	0.0%	148,357	0.0%	347,399	495,756	0.0%
Hospital Tax *	127,706,538	0.0%	0	127,706,538	0.0%	127,706,538	0.0%	0	127,706,538	0.0%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)	62,811,563	0.0%	(3,093,717)	59,717,846	0.0%	62,811,563	0.0%	(3,093,717)	59,717,846	0.0%
Total - Health Care Provider Taxes	232,391,701	0.0%	(1,327,411)	231,064,290	0.0%	232,391,701	0.0%	(1,327,411)	231,064,290	0.0%
Change in Biennial Totals								(2,654,822)		

* 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; in PL 2019, c.343 to hospital fiscal years beginning during calendar year 2016 beginning in FY 20 and again in PL 2021, c. 29 to hospital fiscal years ending in calendar year 2018 beginning in FY 22.



Appendix E

Consensus Economic Forecasting Commission Report

November 1, 2021

**Report of the
CONSENSUS ECONOMIC FORECASTING COMMISSION
November 1, 2021**

Commissioners

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

Dr. Chuck Lawton

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

Sarah Austin
*Policy Analyst
Maine Center for Economic Policy*

Summary

The Maine Consensus Economic Forecasting Commission (CEFC) convened October 29, 2021, to review and revise its forecast through 2025. This meeting builds on the Commission's forecast update of April 1, 2021, incorporating the most recent data available for all relevant baseline data. This report provides a summary of the Commission's findings.

As a critical part of the forecasting process, the Commission reviewed their key assumptions from the April 2021 forecast. Overall, the Commission continues to be optimistic about increased in-migration to Maine but remains concerned about the economic consequences of possible future COVID-19 variants. Since the last forecast, the CEFC has seen its assumptions about federal stimulus and programs aiding the recovery confirmed, as poverty rates in 2020 decreased as a result of these supports. The fate of similar programs now pending in Congress, however, remain uncertain at this time. Inflation has spiked, led by supply chain challenges and oil price increases, and will accelerate the timing of increased interest rates. Regional variations across the state in vaccinations and social distancing measures will likely contribute to an uneven recovery in the coming months and years.

A strong summer of employment gains has been followed by a slow fall, as the Delta variant has challenged the public health recovery. Total nonfarm employment is projected to increase by 3.7% in 2021, 2.3% in 2022, 1.0% in 2023, and 0.7% in both 2024 and 2025. The revised forecast anticipates employment will return to pre-pandemic levels by 2023 and continue growing to 647.9 thousand in 2025. This reflects a downward revision in 2021 due to slower-than-expected gains in recent months and uncertainty regarding the path of the pandemic, with upward revisions from 2023-2025 resulting from increased optimism around employer willingness to raise wages and benefits (including support for childcare) leading to continued in-migration.

The forecast for total personal income was revised up in all years, from 2021-2025. Total personal income was revised up from 5.0% to 5.2% in 2021, from 0.2% to 0.5% in 2022, from 4.1% to 4.6% in 2023, from 4.3% to 4.8% in 2024, and from 4.5% to 4.6% in 2025. This revision accounts for stronger wage growth in 2021-2024.

Growth in wages and salaries, the largest component of personal income, was revised up for 2021 by 0.5 percentage points compared to April's forecast, from 5.0% to 5.5%. 2022-2024 were revised up by 1.0 percentage point, from 4.0% to 5.0%, while 2025 was left unchanged at 4.0%. Growth in supplements to wages and salaries was revised to 4.7% in 2021, down from 5.0% in the previous forecast, while all remaining years were unchanged.

Nonfarm proprietors' income was revised up in 2021 to 5.5%. The CEFC left the remaining years unchanged. The forecast for dividends, interest, and rent was revised up for 2023-2025 by 0.5 percentage point from 3.5% to 4.0% in each year.

Growth in personal current transfer receipts was left unchanged for all years.

The CEFC revised its forecast for the Consumer Price Index (CPI) up for 2021, from 2.4% to 4.4%. The commission also revised its projection for 2022 to 3.5%, up from 2.2% in the previous forecast. This change reflects recent high levels of inflation caused by both demand surges and supply constraints, which are expected to continue through mid-2022.

Finally, the forecast for corporate profits was revised up in 2021 to 30.0% from 15.0%. The forecasts for 2022 and 2023 were revised down, to 2.0% and 3.0%, respectively, compared to 4.7% in each year. 2024 and 2025 were both revised up to 6.0%, compared to 4.7% in April's forecast.

In deliberations leading to consensus, the CEFEC 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.

Total personal income fell by 7.8% in the second quarter, following a 12.5% increase in the first quarter. The decline was driven by a drop in transfer receipts as provisions of the American Rescue Plan Act phased out. Wage and salary income, which is the largest component of personal income, grew by 2.3%. Gross Domestic Product rose 5.5% at an annual rate in the second quarter of 2021, surpassing pre-pandemic levels.

The Consumer Price Index continues to show rising prices, sitting at 5.4% year-over-year in September. Meanwhile, the chained Personal Consumption Expenditures price index was up 4.3% in August. Energy prices have spiked throughout 2021. Gasoline prices averaged \$3.38 per gallon the week of October 18, 2021, while heating oil is nearing its 5-year high price of \$3.088 per gallon.

Nationwide, consumer sentiment has fallen as supply chains are strained and COVID-19 infections are high. The September 2021 consumer sentiment index was down 9.5% compared to a year prior, while the Small Business Optimism Index was 4.7% under September 2020.

Single family existing-home sales in Maine in September 2021 were down 9.7% compared to September 2020, although up 10.7% from September 2019, while the median sales price continued to rise by nearly 17% year-over-year. Maine's House Price Index rose by over 22% in the second quarter of 2021 over a year prior, higher than both New England and the United States and reaching its all-time series high.

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

Calendar Years	2020	2021	2022	2023	2024	2025
Wage & Salary Employment (Annual Percentage Change)						
CEFC Forecast 02/2020	0.5	0.2	0.1	0.0	0.0	0.0
CEFC Forecast 04/2021	-6.4	4.0	2.3	0.7	0.1	0.1
CEFC Forecast 11/2021	-6.4	3.7	2.3	1.0	0.7	0.7
Personal Income (Annual Percentage Change)						
CEFC Forecast 02/2020	4.1	4.0	3.7	3.5	3.5	3.5
CEFC Forecast 04/2021	7.6	5.0	0.2	4.1	4.3	4.5
CEFC Forecast 11/2021	7.9	5.2	0.5	4.6	4.8	4.6
Wage and Salary Income (Annual Percentage Change)						
CEFC Forecast 02/2020	4.1	3.7	3.4	3.2	3.2	3.2
CEFC Forecast 04/2021	1.4	5.0	4.0	4.0	4.0	4.0
CEFC Forecast 11/2021	2.9	5.5	5.0	5.0	5.0	4.0
CPI (Annual Percentage Change)						
CEFC Forecast 02/2020	1.9	2.0	2.0	2.0	2.0	2.0
CEFC Forecast 04/2021	1.2	2.4	2.2	2.1	2.1	2.1
CEFC Forecast 11/2021	1.2	4.4	3.5	2.1	2.1	2.1

The following table provides the forecast's major indicators along with a comparison to the previous forecast and the final pre-pandemic forecast.

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

Maine Department of Labor

The jobs recovery has been impacted by coronavirus case counts. Surges in the fall of 2020 and spring of 2021 caused a flattening in the number of jobs. The surge that began this summer has had a more dramatic impact. The payroll survey indicates the number of jobs decreased in August and September. Current estimates indicate there were 6,500 fewer jobs in September than in July, which currently stands as the pandemic-era peak.

More complete but lagging jobs data from the Quarterly Census of Employment and Wages is used to revise jobs estimates from the payroll survey each year in February. QCEW data is currently available through June. It indicates that jobs estimates were too low from October 2020 to May 2021. If annual revisions were to occur today, the number of jobs in those eight months would be revised upward by close to 8,000. This is a larger revision than normally occurs. Underlying this appears to be a surge in people working remotely in Maine for employers in other states. This is reflected in a large increase in the number of unemployment insurance accounts. If a person has a work location in Maine for an employer in another state, unless the situation is temporary, that employer must open a UI account in Maine.

The number of job openings was at an all-time high this summer, but the number of hires did not change much as labor force participation continued to be suppressed from pre-pandemic rates. This competitive environment for workers continued to drive average wages sharply higher.

The household survey does not include enough detail for Maine to determine which groups experienced the greatest labor force participation decrease. National data indicates that participation is down the most among women in their 20s and early 30s and among people in their late 60s and early 70s. The first group has been most impacted by school and childcare issues and the second likely includes people choosing to retire earlier than their predecessors. This may be due to health concerns, but high financial assets valuations also likely made retirement a more viable option for some.

The Center for Workforce Research and Information recently launched an initiative to identify reemployment patterns among those who lost jobs at the onset of the pandemic by matching unemployment claims to wage records. Among a group of more than 60,000 claimants in April 2020 (which was the employment trough at the onset of the pandemic), 49 percent had gone back to work for the same employer, seven percent had gone back to work for another employer in the same sector of the economy, and eight percent worked for a new employer in a different sector in the final three months of the year. The most common shift was among workers displaced from the accommodation and food services sector to retail trade or healthcare and social assistance. Another 16 percent of April claimants continued to file for unemployment compensation at the end of the year. The Center plans to continue this work to observe reemployment patterns in subsequent quarters in 2021.

This presentation is available at www.maine.gov/labor/cwri/publications/pdf/CEFCOctober2021.pdf.

Maine Revenue Services - Office of Tax Policy (OTP)

In its May 2021 forecast, the Revenue Forecasting Committee (RFC) revised General Fund (GF) revenue estimates up by \$479.4 million for FY21 and by \$460.5 million for the FY22/23 biennium. Despite the updated FY21 GF revenue forecast being approximately \$100 million more than the

committee's pre-pandemic forecast, GF revenues ended the fiscal year over budget by \$349.6 million; a positive variance of 8.4 percent and year-over-year growth of 13.9 percent. The revenue surplus allowed for a \$223.6 million transfer to the Budget Stabilization Fund, bringing the total in the fund to \$492 million, approximately 11 percent of FY21 GF revenue.

Through the first quarter of FY22, GF revenue is over budget by \$129 million (11.1 percent) and has increased by \$266.3 million (26.1 percent) compared to a year ago. Almost all the positive variance through September is from the top three revenue lines: sales and use, individual income, and corporate income taxes.

Sales and use taxes through the first quarter of FY22 are \$69.7 million over budget (13.2 percent) and are up \$126.1 million (26.8 percent) over the first quarter of FY21. The May 2021 forecast assumed meals and lodging sales would return to 2019 levels and that the 5.5% sales tax base would increase slightly during the first quarter of the fiscal year. Thus far, lodging sales are running well ahead of not only 2020, but 2019 as well. Restaurant sales are well above last year too but are only slightly ahead of 2019. Most of the quarterly surplus is from the sales of goods, that have not slowed as forecasted. Building supply, general merchandise, and other retail sales all increased at double-digit rates during the three-month period ending in August, and auto/transportation sales increased 8.4 percent during the same period. Federal stimulus, healthy consumer balance sheets, and rising inflation have all contributed to the strong showing in first quarter sales tax receipts. The year-over-year growth is starting to slow and supply chain issues around the holiday shopping season may bring revenues closer to the May forecast, but positive monthly variances should continue at least through the second quarter of FY22.

Individual income tax receipts are \$28.3 million over budget (5.5 percent) through September of FY22 and are up \$116.4 million (27.1 percent) over the same period of FY21. Most of the year-to-date surplus is from withholding which is \$25.2 million over budget. Some of that surplus is timing as September withholding receipts were \$10.8 million over budget, which appears to be coming at the expense of October revenue. Adjusting for the timing issue in September, withholding receipts are still growing more than 10 percent during CY21. Non-withheld receipts from final, estimated, and fiduciary payments are \$21.5 million over budget through September, reflecting a stronger than projected tax year 2020 and third quarter of tax year 2021. Refunds associated with the 2020 tax year are over budget (reducing revenue) by \$18.6 million. Much of the overage on refunds is from the timing of refund payments that were delayed in the filing date of 2020 returns from April to May. Refunds that normally would have gone out in April-June have been sent out in the July-September period instead. Individual income tax receipts are expected to slow over the remainder of the calendar year, but the strong stock market, unfolding economic recovery, and potential federal tax changes will influence the direction and growth rate of receipts over the near term.

Corporate income tax revenue is \$35.3 million (60.1 percent) over budget through September and \$32.8 million (53.6 percent) above FY21. Most of the year-to-date positive variance is from estimated payments being \$30 million over budget. Other states with a corporate income tax and the federal government are seeing similar revenue increases. Currently there are three explanations for why corporate receipts are increasing at such a high rate. First, given federal corporate tax receipts were strong in FY21 (75% increase over FY20 and 60% over FY19) it's likely that corporate profits nationally are exceeding forecast levels and thus affecting state level receipts. Second, the federal "Tax Cuts and Jobs Act" (TCJA) passed in December 2017 overhauled how US corporations are taxed on both their domestic and international sourced income, and Maine like many states conformed to many of the federal changes. The TCJA provisions combined with the unique aspects of the pandemic economy may be causing corporate receipts to increase at unprecedented levels. Third, it's possible that the President's proposals to increase corporate income taxes have caused corporations to shift income into 2021 and expenses out of 2021 to take advantage of the lower federal rates enacted in the TCJA, thereby

increasing 2021 net income. Most corporate income tax returns for the 2020 tax year are filed on extension (due 10/15/21) and until those returns are on the MRS accounting system it's difficult to explain why 2020 was a better year than the RFC forecasted last May. It will be another year before 2021 tax year returns are available to be queried.

Macroeconomic Assumptions

Two different baseline economic forecasts were examined at the meeting: the Moody's Analytics baseline scenario for October 2021 and the IHS Markit baseline scenario for October 2021. Each forecast was based on a different set of national macroeconomic assumptions. These forecasts were then compared to the CEFC's April 2021 forecast. In addition, the CEFC reviewed its assumptions for the previous forecast and made several changes as more information has become available since the last report. Overall, the Commission continues to be optimistic about in-migration to Maine but remains concerned about possible future COVID-19 variants. The key assumptions made by the CEFC are as follows:

- With economic recovery underway, concerns remain that this recovery is uneven across different sectors, demographic/socioeconomic groups, and amongst Maine counties.
- Although infection rates remain high, public health concerns will subside with the continuation of vaccine rollout. Continued social distancing, testing, and contact tracing will help the state mitigate the onset of COVID-19 variants. Regional variations across the state in vaccination rates and social distancing measures could contribute to an uneven recovery as areas with higher vaccination rates will rebound faster than areas with lower vaccination rates.
- Federal stimulus and prolonged low interest rates have boosted consumption and aided in the economic recovery; poverty rates in 2020 were reduced through Federal stimulus and the successful deployment of economic assistance programs. Additional federal programs such as the Infrastructure Investment and Jobs Act and Build Back Better reconciliation bill are still uncertain at this time.
- Structural changes in the economy are occurring as the demand for labor differs from the supply and its longer term impact is yet to be determined. The availability of regular, in-person childcare and K-12 education will remain a major determinant in returning labor force participation rates to normal levels; larger employers are increasingly providing childcare benefits. Older workers may have decided to retire early due to the pandemic, which would contribute to the current reduced labor force.
- The Commission is optimistic that there is an opportunity for Maine to see increased in-migration in the coming years as telework becomes part of the "new normal" and people look for less densely populated places to live; however, the supply of housing is extremely limited and may be a constraint both on continued home sales growth and the availability of workforce housing. Rising interest rates may slow demand for real estate. On the commercial real estate front, office space is seeing uncertainty as hybrid work plans and staffing are being finalized; industrial space has been in very high demand; retail space was hit hardest by the pandemic, but the robust summer tourism season helped.
- The availability of high-speed internet and mobile phone coverage will be an important equalizer between urban and rural areas and could contribute to the diffusion of migration across the state. The creation of the Maine Connectivity Authority and infusion of federal funding will help the successful buildout of high-speed internet.
- Human behavior underpins several key uncertainties at this time, including vaccination uptake, willingness to continue to adhere to social distancing procedures, and eventual willingness to return to normal activity once it is considered safe to do so. Continued interest in outdoor activities could lead to a strong winter sports season, providing a boost to rural areas. Pent-up

demand for services as well as supply chain issues may lead to a substitution away from purchases of goods.

- Inflation expectations have increased considerably in recent months and are much higher than what the Federal Reserve Bank previously expected; there is a risk of continued inflation throughout 2021 and 2022. Interest rates are expected to begin increasing sooner than previously anticipated.

Consensus Forecast

Total nonfarm employment is projected to increase by 3.7% in 2021, 2.3% in 2022, 1.0% in 2023 and 0.7% in both 2024 and 2025. Compared to the April 2021 forecast, this is revised down in 2021, unchanged in 2022, and revised up in all years from 2023-2025 (from 0.7%, 0.1% and 0.1%). The new forecast accounts for both a decelerating labor market recovery in 2021, in large part at the hands of the Delta variant, as well as an upside potential for increased migration into the state in the following years. The commission is also optimistic that other factors, such as the return of K-12 school and childcare accessibility and a growing willingness by employers both to train potential workers who may not currently possess the experience and skills they have transitionally expected and to be increasingly flexible in work hours and locations will aid in employment growth in coming years. The CEFC continues to monitor structural changes that may impact the long-term trajectory of employment, immigration, and labor force participation trends. The Commission is hopeful that this more optimistic medium-term forecast will be confirmed with future data. The revised forecast anticipates employment will reach pre-pandemic levels by 2023 and continue growing to 647.9 thousand in 2025. The April 1, 2021, forecast reached 640 thousand in 2025. The CEFC remains optimistic regarding the upside opportunity of increased migration into the state as COVID-19 has been a catalyst for remote work but is cautious of the constraints that may be caused by ongoing tight real estate markets.

This forecast reflects revised actual data for annual 2020 personal income released by the U.S. Bureau of Economic Analysis on September 23, 2021. The BEA revisions automatically resulted in upward revisions for 2020 for total personal income (from 7.6% to 7.9%) as well as substantial revisions to several components including wages and salaries (from 1.4% to 2.9%), supplements to wages and salaries (from 1.1% to 2.7%), and personal current transfer receipts (from 31.9% to 29.3%).

The forecast for total personal income was revised up slightly to +5.2% in 2021, compared to 5.0% in the previous forecast. Personal income was revised up in all remaining years, to 0.5% in 2022, 4.6% in 2023, 4.8% in 2024 and 4.6% in 2025, compared to 0.2%, 4.1%, 4.3% and 4.5% in 2022-2025, respectively. This revision accounts for higher wage growth in 2021-2024.

Growth in wages and salaries, the largest component of personal income, was revised up for 2021 by 0.5 percentage points compared to April's forecast, from 5.0% to 5.5%. 2022-2024 were each revised up by 1.0 percentage point, from 4.0% to 5.0%, while 2025 was left unchanged. Growth in supplements to wages and salaries was revised down in 2021 from 5.0% to 4.7%, while all remaining years were left unchanged, at 4.0%.

Nonfarm proprietors' income was revised up in 2021, to 5.5% compared to 3.2% in the previous forecast. The CEFC made no further changes for 2022-2025. The forecast for dividends, interest, and rent was left unchanged in the near-term, but was revised up from 2023-2025, to 4.0% for each year compared to 3.5% in the previous forecast. Growth in personal current transfer receipts was left unchanged in all years: 8.0% in 2021, -10.0% in 2022, 4.0% in 2023, 5.0% in 2024, and 6.0% in 2025.

The CEFC revised its forecast for the Consumer Price Index (CPI) up for 2021 and 2022, from 2.4% to 4.4% in 2021 and from 2.2% to 3.5% in 2022, leaving 2022-2025 unchanged at 2.1% annually. This

change reflects higher inflation in recent months due to several forces that the CEFC expects will continue through early 2022, including an uptick in consumer spending due to pent-up demand, supply bottlenecks, and rising energy prices.

Finally, the forecast for corporate profits was revised up in 2021, from 15.0% to 30.0%. The forecast was revised down for 2022 and 2023, to 2.0% and 3.0% compared to 4.7% in both years in the previous forecast. Additionally, the CEFC made upward revisions to its forecast for 2024 and 2025 to 6.0% annually, compared to 4.7% annually in the April forecast.

The following page provides the full forecast.

Maine Consensus Economic Forecasting Commission

November 2021 Forecast Update

	History	Forecast				
	2020	2021	2022	2023	2024	2025
CPI-U* (Annual Change)	1.2%	4.4%	3.5%	2.1%	2.1%	2.1%
CPI for Energy Prices** (Annual Change)	-8.3%	18.4%	3.1%	-0.1%	1.3%	2.1%
Avg. Price of New Vehicles** (Annual Change)	5.7%	11.2%	2.6%	2.2%	1.0%	0.7%
New Vehicle Registrations** (Annual Change)	-7.7%	5.6%	-8.3%	7.7%	2.5%	-1.7%
Personal Savings Rate**	16.4%	11.7%	5.7%	6.2%	6.5%	6.5%
Maine Unemployment Rate**	5.4%	4.7%	3.5%	2.9%	2.9%	3.0%
3-Month Treasury Bill Rate**	0.37%	0.04%	0.07%	0.33%	0.86%	1.49%
10-Year Treasury Note Yield**	0.89%	1.43%	1.83%	2.28%	2.58%	2.82%
Before-Tax Corporate Profits* (Annual Change)	-3.1%	30.0%	2.0%	3.0%	6.0%	6.0%
Maine Wage & Salary Employment* (thousands)	596.3	618.3	632.6	638.9	643.4	647.9
Natural Resources	2.1	2.2	2.3	2.2	2.2	2.3
Construction	30.0	30.6	30.4	30.2	30.1	29.9
Manufacturing	50.7	53.3	53.3	53.4	53.2	52.9
Trade/Trans./Public Utils.	111.7	116.6	116.4	114.1	112.2	111.0
Information	6.4	6.6	6.7	6.7	6.9	7.0
Financial Activities	32.6	32.8	33.5	33.6	33.7	33.9
Prof. & Business Services	68.0	70.9	74.6	76.3	77.6	79.0
Education & Health Services	124.8	126.9	130.2	130.4	131.7	133.3
Leisure & Hospitality Services	51.8	58.8	62.2	67.9	71.1	73.4
Other Services	20.3	21.9	23.0	23.2	23.4	23.9
Government	97.8	97.7	99.9	100.9	101.2	101.3
Maine Wage & Salary Employment* (Annual Change)	-6.4%	3.7%	2.3%	1.0%	0.7%	0.7%
Natural Resources	-4.5%	3.0%	7.7%	-6.8%	1.8%	3.6%
Construction	-0.3%	2.1%	-0.8%	-0.5%	-0.5%	-0.6%
Manufacturing	-4.7%	5.1%	0.1%	0.1%	-0.3%	-0.6%
Trade/Trans./Public Utils.	-5.9%	4.4%	-0.2%	-1.9%	-1.7%	-1.0%
Information	-11.1%	2.9%	1.5%	0.1%	3.5%	1.3%
Financial Activities	-1.2%	0.6%	2.3%	0.2%	0.3%	0.5%
Prof. & Business Services	-2.9%	4.3%	5.2%	2.3%	1.6%	1.8%
Education & Health Services	-3.5%	1.7%	2.6%	0.1%	1.0%	1.2%
Leisure & Hospitality Services	-26.1%	13.5%	5.8%	9.1%	4.8%	3.2%
Other Services	-9.0%	8.0%	4.7%	1.0%	1.1%	1.8%
Government	-3.4%	-0.1%	2.3%	1.0%	0.3%	0.1%
	2020	2021	2022	2023	2024	2025
Personal Income* (\$ million)	73,193	76,983	77,401	80,933	84,850	88,748
Wages & Salaries*	32,289	34,065	35,768	37,556	39,434	41,011
Supplements to Wages & Salaries*	7,953	8,327	8,660	9,006	9,367	9,741
Nonfarm Proprietors' Income*	4,994	5,269	5,612	5,948	6,287	6,627
Farm Proprietors' Income**	273	231	127	124	140	139
Dividends, Interest, & Rent*	12,521	12,621	13,151	13,677	14,224	14,793
Dividends	3,807	3,809	4,129	4,420	4,666	4,867
Interest	5,365	5,446	5,522	5,580	5,747	6,056
Rent	3,350	3,368	3,497	3,678	3,818	3,876
Personal Current Transfer Receipts*	19,557	21,122	19,010	19,770	20,759	22,004
Less: Contributions for Social Ins.**	5,531	5,846	6,200	6,482	6,748	7,009
Adjustment for Residence**	1,137	1,195	1,273	1,333	1,387	1,442
Personal Income* (Annual Change)	7.9%	5.2%	0.5%	4.6%	4.8%	4.6%
Wages & Salaries*	2.9%	5.5%	5.0%	5.0%	5.0%	4.0%
Supplements to Wages & Salaries*	2.7%	4.7%	4.0%	4.0%	4.0%	4.0%
Nonfarm Proprietors' Income*	0.8%	5.5%	6.5%	6.0%	5.7%	5.4%
Farm Proprietors' Income**	89.5%	-15.1%	-45.3%	-2.1%	12.7%	-0.7%
Dividends, Interest, & Rent*	-1.0%	0.8%	4.2%	4.0%	4.0%	4.0%
Dividends	-1.0%	0.0%	8.4%	7.0%	5.6%	4.3%
Interest	-4.5%	1.5%	1.4%	1.0%	3.0%	5.4%
Rent	5.1%	0.5%	3.8%	5.2%	3.8%	1.5%
Personal Current Transfer Receipts*	29.3%	8.0%	-10.0%	4.0%	5.0%	6.0%
Less: Contributions for Social Ins.**	5.0%	5.7%	6.0%	4.6%	4.1%	3.9%
Adjustment for Residence**	1.1%	5.1%	6.6%	4.7%	4.1%	4.0%

*CEFC Forecast

**From IHS Markit and Moody's Analytics baselines (Oct. 2021)

Remaining lines derived from CEFC forecast by CEFC staff and reviewed by CEFC



APPENDIX F

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

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

	<u>FY2022</u>	<u>FY2023</u>	<u>Biennium</u>	<u>FY2024</u>	<u>FY2025</u>	<u>Biennium</u>
Sales & Use Tax	\$209,000,000	\$204,500,000	\$413,500,000	\$198,000,000	\$207,500,000	\$405,500,000
Individual Income Tax	\$203,750,000	\$155,000,000	\$358,750,000	\$171,000,000	\$175,000,000	\$346,000,000
Corporate Income Tax	\$35,000,000	\$35,000,000	\$70,000,000	\$48,000,000	\$53,500,000	\$101,500,000
Estate Tax	\$6,100,000	\$3,650,000	\$9,750,000	\$3,150,000	\$3,250,000	\$6,400,000
Real Estate Transfer Tax, General Fund	\$3,836,807	\$2,965,522	\$6,802,329	\$3,215,515	\$3,065,520	\$6,281,035
Cigarette, Tobacco, and Marijuana Excise Taxes	\$318,000	\$652,000	\$970,000	\$98,000	-\$1,016,000	-\$918,000
Commercial Forestry Excise Tax	-\$300,000	\$0	-\$300,000	\$0	\$0	\$0
Total Adjustments to Current Forecast	\$457,704,807	\$401,767,522	\$859,472,329	\$423,463,515	\$441,299,520	\$864,763,035
General Fund	\$434,468,720	\$374,508,216	\$808,976,936	\$396,990,927	\$414,267,336	\$811,258,263
Local Government Fund	\$23,051,551	\$21,117,414	\$44,168,965	\$20,669,980	\$21,621,948	\$42,291,928
Tourism Marketing Promotion Fund	\$604,162	\$2,231,000	\$2,835,162	\$2,520,000	\$2,397,000	\$4,917,000
Adult Use Marijuana Public Health and Safety Fund	-\$799,411	-\$408,108	-\$1,207,519	-\$296,392	-\$427,764	-\$724,156
Multimodal Transportation Fund	\$379,785	\$4,319,000	\$4,698,785	\$3,579,000	\$3,441,000	\$7,020,000

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

19-Nov-21
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STATE REVENUE UPDATE

Michael J. Allen
Associate Commissioner of Tax Policy
Maine Revenue Services – Office of Tax Policy

Evolving Revenue Forecast During 2020 and 2021

General Fund Summary

	FY21	FY22	FY23	FY24	FY25
March 2020 Forecast	\$4,070,279,515	\$4,174,531,432	\$4,317,597,709		
Annual % Growth	2.5%	2.6%	3.4%		
Net Increase (Decrease) Forecast	(\$527,809,542)	(\$433,731,150)	(\$449,465,768)		
August 2020 Forecast	\$3,542,469,974	\$3,740,800,282	\$3,868,131,941		
Annual % Growth	-10.8%	5.6%	3.4%		
Net Increase (Decrease) Forecast	\$272,806,942	\$231,967,435	\$255,473,700		
December 2020 Forecast	\$3,815,276,916	\$3,972,767,717	\$4,123,605,641	\$4,276,170,128	\$4,431,148,462
Annual % Growth	-3.9%	4.1%	3.8%	3.7%	3.6%
Net Increase (Decrease) Enacted Leg.	(\$123,763,062)	\$34,312,346	\$54,056,820	\$5,970,750	\$6,403,000
Net Increase (Decrease) Forecast	\$479,428,979	\$241,344,813	\$219,186,512	\$223,297,647	\$213,216,979
May 2021 Forecast	\$4,170,942,833	\$4,248,424,876	\$4,396,848,973	\$4,505,438,525	\$4,650,768,441
Annual % Growth	5.1%	1.9%	3.5%	2.5%	3.2%
Change % from March 2020 RFC	2.5%	1.8%	1.8%	na	na



FY21 GF Revenue Relative to Budget

STATE OF MAINE
Undedicated Revenues - General Fund
For the Twelfth Month Ended June 30, 2021
For the Fiscal Year Ending June 30, 2021
Comparison to Budget

Exhibit I

PRELIMINARY AND TENTATIVE
FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

	Month				Fiscal Year to Date				Total Budgeted Fiscal Year Ending 6/30/2021
	Actual	Budget	Variance Over(Under)	Percent Over(Under)	Actual	Budget	Variance Over(Under)	Percent Over(Under)	
Sales and Use Tax	\$ 203,520,349	\$ 187,132,475	\$ 16,387,874	8.8 %	\$ 1,804,226,077	\$ 1,768,751,007	\$ 35,475,070	2.0 %	\$ 1,768,751,007
Service Provider Tax	3,308,113	5,076,716	(1,768,603)	(34.8)%	51,350,442	52,562,000	(1,211,558)	(2.3)%	52,562,000
Individual Income Tax	246,095,325	160,000,006	86,095,319	53.8 %	2,069,715,243	1,806,896,248	262,818,995	14.5 %	1,806,896,248
Corporate Income Tax	51,802,729	27,500,000	24,302,729	88.4 %	284,316,774	246,035,003	38,281,771	15.6 %	246,035,003
Cigarette and Tobacco Tax	18,221,838	11,229,609	6,992,229	62.3 %	146,750,671	142,690,000	4,060,671	2.8 %	142,690,000
Insurance Companies Tax	26,953,028	29,368,755	(2,415,727)	(8.2)%	84,462,691	84,350,000	112,691	0.1 %	84,350,000
Estate Tax	219,058	750,000	(530,942)	(70.8)%	40,399,594	40,050,000	349,594	0.9 %	40,050,000
Fines, Forfeits & Penalties	834,929	645,037	189,892	29.4 %	8,720,806	10,154,186	(1,433,380)	(14.1)%	10,154,186
Income from Investments	1,513,208	1,119,199	394,009	35.2 %	6,748,690	6,296,062	452,628	7.2 %	6,296,062
Transfer from Lottery Commission	3,117,308	5,031,896	(1,914,588)	(38.0)%	70,647,717	65,000,000	5,647,717	8.7 %	65,000,000
Transfers for Tax Relief Programs	(14,267)	(12,276)	(1,991)	(16.2)%	(75,987,519)	(74,462,300)	(1,525,219)	(2.0)%	(74,462,300)
Transfer to Municipal Revenue Sharing	(21,623,000)	(12,107,877)	(9,515,123)	(78.6)%	(156,047,730)	(148,219,686)	(7,828,044)	(5.3)%	(148,219,686)
Other Taxes and Fees	18,096,413	14,067,754	4,028,659	28.6 %	157,423,727	147,075,128	10,348,599	7.0 %	147,075,128
Other Revenues	19,922,032	17,286,544	2,635,488	15.2 %	27,863,962	23,765,184	4,098,778	17.2 %	23,765,184
Total Collected	\$ 571,967,064	\$ 447,087,838	\$ 124,879,226	27.9 %	\$ 4,520,591,145	\$ 4,170,942,832	\$ 349,648,313	8.4 %	\$ 4,170,942,832

NOTES:

- (1) Included in the above is \$21,623,000 for the month and \$156,047,730 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 May 2021, laws enacted through the end of the 130th Legislature, 1st Regular Session for all laws and any emergency laws.
- (3) The Fiscal Year to Date figures above include adjustments of (\$257,992,054) for Individual Income Tax and (\$46,788,400) for Corporate Income Tax to reflect the reversal of amounts accrued in April and June for which collections were deferred until July 15th in response to the COVID-19 pandemic.
- (4) This report has been prepared from preliminary month end figures and is subject to change.



FY21 GF Revenue Relative to FY20

STATE OF MAINE

Undedicated Revenues - General Fund

For the Twelfth Month Ended June 30, 2021 and 2020

For the Fiscal Year Ending June 30, 2021 and 2020

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	\$ 203,520,349	\$ 125,577,457	\$ 77,942,892	62.1 %	\$ 1,804,226,077	\$ 1,555,713,076	\$ 248,513,001	16.0 %
Service Provider Tax	3,308,113	5,767,426	(2,459,312)	(42.6)%	51,350,442	58,012,511	(6,662,069)	(11.5)%
Individual Income Tax	246,095,325	180,271,821	65,823,503	36.5 %	2,069,715,243	1,835,972,805	233,742,438	12.7 %
Corporate Income Tax	51,802,729	38,107,398	13,695,331	35.9 %	284,316,774	216,131,489	68,185,285	31.5 %
Cigarette and Tobacco Tax	18,221,838	10,712,328	7,509,510	70.1 %	146,750,671	137,331,317	9,419,354	6.9 %
Insurance Companies Tax	26,953,028	29,086,222	(2,133,194)	(7.3)%	84,462,691	82,145,116	2,317,575	2.8 %
Estate Tax	219,058	62,737	156,321	249.2 %	40,399,594	21,079,344	19,320,250	91.7 %
Fines, Forfeits & Penalties	834,929	750,775	84,154	11.2 %	8,720,806	9,986,146	(1,265,339)	(12.7)%
Income from Investments	1,513,208	1,089,691	423,516	38.9 %	6,748,690	12,121,418	(5,372,728)	(44.3)%
Transfer from Lottery Commission	3,117,308	5,418,085	(2,300,777)	(42.5)%	70,647,717	64,589,742	6,057,975	9.4 %
Transfers for Tax Relief Programs	(14,267)	(2,238,178)	2,223,911	99.4 %	(75,987,519)	(74,637,969)	(1,349,550)	(1.8)%
Transfer to Municipal Revenue Sharing	(21,623,000)	(10,733,186)	(10,889,814)	(101.5)%	(156,047,730)	(113,613,360)	(42,434,370)	(37.3)%
Other Taxes and Fees	18,096,413	16,136,601	1,959,812	12.1 %	157,423,727	139,144,510	18,279,217	13.1 %
Other Revenues	19,922,032	17,874,500	2,047,531	11.5 %	27,863,962	25,367,559	2,496,403	9.8 %
Total Collected	\$ 571,967,064	\$ 417,883,678	\$ 154,083,385	36.9 %	\$ 4,520,591,145	\$ 3,969,343,702	\$ 551,247,443	13.9 %

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



FY21 HWF Revenue Relative to Budget

STATE OF MAINE
 Undedicated Revenues - Highway Fund
 For the Twelfth Month Ended June 30, 2021
 For the Fiscal Year Ending June 30, 2021
 Comparison to Budget

Exhibit V

PRELIMINARY AND TENTATIVE
 FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

	Month				Fiscal Year to Date				Total Budgeted Fiscal Year Ending 6/30/2021
	Actual	Budget	Variance Over(Under)	Percent Over(Under)	Actual	Budget	Variance Over(Under)	Percent Over(Under)	
Fuel Taxes	\$ 16,458,922	\$ 18,205,566	\$ (1,746,644)	(9.6)%	\$ 209,670,726	\$ 211,284,768	\$ (1,614,042)	(0.8)%	\$ 211,284,768
Motor Vehicle Registration & Fees	7,067,116	3,265,893	3,801,223	116.4 %	105,319,873	96,250,021	9,069,852	9.4 %	96,250,021
Motor Vehicle Inspection Fees	871,323	375,204	496,119	132.2 %	3,098,522	2,753,228	345,294	12.5 %	2,753,228
Miscellaneous Taxes & Fees	191,938	54,341	137,597	253.2 %	1,629,051	1,367,454	261,597	19.1 %	1,367,454
Fines, Forfeits & Penalties	110,864	16,771	94,093	561.0 %	1,248,923	426,101	822,822	193.1 %	426,101
Earnings on Investments	50,390	(985)	51,375	5,215.8 %	305,414	261,450	43,964	16.8 %	261,450
All Other	1,376,119	203,334	1,172,785	576.8 %	12,730,378	12,100,331	630,047	5.2 %	12,100,331
Total Collected	\$ 26,126,672	\$ 22,120,124	\$ 4,006,548	18.1 %	\$ 334,002,888	\$ 324,443,353	\$ 9,559,535	2.9 %	\$ 324,443,353

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



FY21 HWF Revenue Relative to FY20

Exhibit VI

STATE OF MAINE
 Undedicated Revenues - Highway Fund
 For the Twelfth Month Ended June 30, 2021 and 2020
 For the Fiscal Year Ending June 30, 2021 and 2020
 Comparison to To Prior Year

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	\$ 16,458,922	\$ 15,626,960	\$ 831,962	5.3 %	\$ 209,670,726	\$ 218,970,635	\$ (9,299,909)	(4.2)%
Motor Vehicle Registration & Fees	7,067,116	8,099,111	(1,031,995)	(12.7)%	105,319,873	90,648,098	14,671,775	16.2 %
Motor Vehicle Inspection Fees	871,323	344,263	527,061	153.1 %	3,098,522	3,120,970	(22,448)	(0.7)%
Miscellaneous Taxes & Fees	191,938	178,386	13,552	7.6 %	1,629,051	1,280,909	348,142	27.2 %
Fines, Forfeits & Penalties	110,864	29,087	81,777	281.1 %	1,248,923	899,735	349,187	38.8 %
Earnings on Investments	50,390	20,815	29,575	142.1 %	305,414	257,790	47,624	18.5 %
All Other	1,376,119	662,254	713,865	107.8 %	12,730,378	11,998,433	731,945	6.1 %
Total Collected	\$ 26,126,672	\$ 24,960,876	\$ 1,165,796	4.7 %	\$ 334,002,888	\$ 327,176,570	\$ 6,826,317	2.1 %

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



October FY22 GF Revenue Relative to Budget

Exhibit I

STATE OF MAINE
 Undedicated Revenues - General Fund
 For the Fourth Month Ended October 31, 2021
 For the Fiscal Year Ending June 30, 2022
 Comparison to Budget

PRELIMINARY AND TENTATIVE
 FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

	Month				Fiscal Year to Date				Total Budgeted Fiscal Year Ending 6/30/2022
	Actual	Budget	Variance Over(Under)	Percent Over(Under)	Actual	Budget	Variance Over(Under)	Percent Over(Under)	
Sales and Use Tax	\$ 187,191,141	\$ 164,995,846	\$ 22,195,295	13.5 %	\$ 783,191,630	\$ 690,729,231	\$ 92,462,399	13.4 %	\$ 1,802,616,745
Service Provider Tax	4,322,485	4,188,559	133,926	3.2 %	17,125,567	16,754,238	371,329	2.2 %	51,000,000
Individual Income Tax	178,104,455	153,300,000	24,804,455	16.2 %	724,432,088	671,300,000	53,132,088	7.9 %	1,844,500,000
Corporate Income Tax	25,132,520	10,000,000	15,132,520	151.3 %	119,096,688	68,700,000	50,396,688	73.4 %	220,033,737
Cigarette and Tobacco Tax	14,596,888	13,932,129	664,759	4.8 %	52,702,254	51,483,609	1,218,645	2.4 %	150,427,000
Insurance Companies Tax	6,708,282	8,756,470	(2,048,188)	(23.4)%	9,424,667	9,295,523	129,144	1.4 %	88,250,000
Estate Tax	6,291,270	1,495,679	4,795,591	320.6 %	8,858,259	5,666,903	3,191,356	56.3 %	25,850,000
Fines, Forfeits & Penalties	459,835	1,048,535	(588,700)	(56.1)%	2,012,115	4,453,257	(2,441,142)	(54.8)%	12,416,881
Income from Investments	556,990	204,618	352,372	172.2 %	1,723,197	654,610	1,068,587	163.2 %	2,937,863
Transfer from Lottery Commission	7,001,996	5,146,398	1,855,598	36.1 %	24,189,024	19,747,177	4,441,847	22.5 %	60,000,000
Transfers for Tax Relief Programs	(368)	(365,000)	364,632	99.9 %	(542,792)	(260,000)	(282,792)	(108.8)%	(76,150,000)
Transfer to Municipal Revenue Sharing	(22,658,084)	(20,157,881)	(2,500,203)	(12.4)%	(78,921,985)	(67,304,013)	(11,617,972)	(17.3)%	(180,250,232)
Other Taxes and Fees	20,090,735	22,901,813	(2,811,078)	(12.3)%	51,201,398	52,614,282	(1,412,884)	(2.7)%	146,319,687
Other Revenues	(6,017,173)	(7,897,628)	1,880,455	23.8 %	(5,801,278)	(8,431,787)	2,630,509	31.2 %	31,198,248
Total Collected	\$ 421,780,972	\$ 357,549,538	\$ 64,231,434	18.0 %	\$ 1,708,690,833	\$ 1,515,403,030	\$ 193,287,803	12.8 %	\$ 4,179,149,929

NOTES:

- (1) Included in the above is \$22,658,084 for the month and \$78,921,985 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 May 2021, laws enacted through the end of the 130th Legislature, 1st Special Session for all laws and any emergency laws.
- (3) This report has been prepared from preliminary month end figures and is subject to change.



October FY22 GF Revenue Relative to FY21

STATE OF MAINE
 Undedicated Revenues - General Fund
 For the Fourth Month Ended October 31, 2021 and 2020
 For the Fiscal Year Ending June 30, 2022 and 2021
 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	\$ 187,191,141	\$ 159,213,562	\$ 27,977,579	17.6 %	\$ 783,191,630	\$ 629,091,478	\$ 154,100,151	24.5 %
Service Provider Tax	4,322,485	4,609,279	(286,794)	(6.2)%	17,125,567	18,584,183	(1,458,616)	(7.8)%
Individual Income Tax	178,104,455	159,821,355	18,283,099	11.4 %	724,432,088	589,706,899	134,725,189	22.8 %
Corporate Income Tax	25,132,520	8,657,899	16,474,621	190.3 %	119,096,688	69,852,270	49,244,418	70.5 %
Cigarette and Tobacco Tax	14,596,888	9,544,807	5,052,081	52.9 %	52,702,254	49,266,813	3,435,441	7.0 %
Insurance Companies Tax	6,708,282	7,421,242	(712,960)	(9.6)%	9,424,667	8,110,260	1,314,407	16.2 %
Estate Tax	6,291,270	9,357,370	(3,066,100)	(32.8)%	8,858,259	10,898,854	(2,040,595)	(18.7)%
Fines, Forfeits & Penalties	459,835	559,987	(100,152)	(17.9)%	2,012,115	3,193,901	(1,181,786)	(37.0)%
Income from Investments	556,990	436,176	120,814	27.7 %	1,723,197	1,373,063	350,134	25.5 %
Transfer from Lottery Commission	7,001,996	5,891,358	1,110,638	18.9 %	24,189,024	22,915,077	1,273,947	5.6 %
Transfers for Tax Relief Programs	(368)	313,251	(313,619)	(100.1)%	(542,792)	345,060	(887,852)	(257.3)%
Transfer to Municipal Revenue Sharing	(22,658,084)	(15,361,091)	(7,296,992)	(47.5)%	(78,921,985)	(49,674,631)	(29,247,354)	(58.9)%
Other Taxes and Fees	20,090,735	20,516,793	(426,059)	(2.1)%	51,201,398	47,557,506	3,643,891	7.7 %
Other Revenues	(6,017,173)	(4,545,620)	(1,471,553)	(32.4)%	(5,801,278)	(14,179,511)	8,378,234	59.1 %
Total Collected	\$ 421,780,972	\$ 366,436,368	\$ 55,344,604	15.1 %	\$ 1,708,690,833	\$ 1,387,041,222	\$ 321,649,611	23.2 %

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



October FY22 HWF Revenue Relative to Budget

STATE OF MAINE
 Undedicated Revenues - Highway Fund
 For the Fourth Month Ended October 31, 2021
 For the Fiscal Year Ending June 30, 2022
 Comparison to Budget

Exhibit V

PRELIMINARY AND TENTATIVE
 FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

	Month				Fiscal Year to Date				Total Budgeted Fiscal Year Ending 6/30/2022
	Actual	Budget	Variance Over(Under)	Percent Over(Under)	Actual	Budget	Variance Over(Under)	Percent Over(Under)	
Fuel Taxes	\$ 19,470,567	\$ 20,559,069	\$ (1,088,502)	(5.3)%	\$ 81,900,555	\$ 80,464,842	\$ 1,435,713	1.8 %	\$ 224,611,316
Motor Vehicle Registration & Fees	9,059,521	9,083,846	(24,325)	(0.3)%	35,132,717	33,739,513	1,393,204	4.1 %	91,205,026
Motor Vehicle Inspection Fees	72,695	232,489	(159,795)	(68.7)%	809,219	996,706	(187,487)	(18.8)%	3,202,500
Miscellaneous Taxes & Fees	129,996	101,023	28,973	28.7 %	567,519	447,936	119,583	26.7 %	1,267,454
Fines, Forfeits & Penalties	114,691	50,534	64,157	127.0 %	461,538	202,136	259,402	128.3 %	606,412
Earnings on Investments	20,050	7,240	12,810	176.9 %	70,628	28,956	41,672	143.9 %	86,864
All Other	762,490	531,120	231,370	43.6 %	2,441,169	1,975,161	466,008	23.6 %	9,739,321
Total Collected	\$ 29,630,009	\$ 30,565,321	\$ (935,312)	(3.1)%	\$ 121,383,345	\$ 117,855,250	\$ 3,528,095	3.0 %	\$ 330,718,893

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



October FY22 HWF Revenue Relative to FY21

Exhibit VI

STATE OF MAINE
 Undedicated Revenues - Highway Fund
 For the Fourth Month Ended October 31, 2021 and 2020
 For the Fiscal Year Ending June 30, 2022 and 2021
 Comparison to To Prior Year

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	\$ 19,470,567	\$ 18,678,730	\$ 791,836	4.2 %	\$ 81,900,555	\$ 75,204,381	\$ 6,696,174	8.9 %
Motor Vehicle Registration & Fees	9,059,521	10,225,176	(1,165,655)	(11.4)%	35,132,717	37,109,085	(1,976,368)	(5.3)%
Motor Vehicle Inspection Fees	72,695	237,085	(164,391)	(69.3)%	809,219	840,745	(31,526)	(3.7)%
Miscellaneous Taxes & Fees	129,996	112,341	17,656	15.7 %	567,519	553,058	14,461	2.6 %
Fines, Forfeits & Penalties	114,691	132,751	(18,060)	(13.6)%	461,538	312,856	148,683	47.5 %
Earnings on Investments	20,050	22,884	(2,834)	(12.4)%	70,628	64,878	5,749	8.9 %
All Other	762,490	515,480	247,010	47.9 %	2,441,169	2,074,283	366,886	17.7 %
Total Collected	\$ 29,630,009	\$ 29,924,447	\$ (294,438)	(1.0)%	\$ 121,383,345	\$ 116,159,286	\$ 5,224,059	4.5 %

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



MRS Office of Tax Policy
Presentation for December
2021 Revenue Forecast

Sales & Use Tax

Sales Tax History and Forecast

(\$million)

Fiscal Year	Actual and Recommended Forecast	Annual Growth	Revision to current forecast
2017	\$1,336.9		
2018	\$1,423.6	6.5%	
2019	\$1,503.8	5.6%	
2020	\$1,555.7	3.5%	
2021	\$1,804.2	16.0%	
2022	\$2,014.8	11.7%	\$209.2
2023	\$2,076.7	3.1%	\$204.6
2024	\$2,133.1	2.7%	\$198.0
2025	\$2,189.7	2.6%	\$207.3

Sales Tax Main Points

- Phenomenal revenue performance in 2021

Revenue from calendar year sales*	Q1	Q2	Q3	CYTD
2020 v. 2021	24.9%	41.6%	21.7%	28.9%
2019 v. 2021	29.4%	32.1%	23.2%	27.8%

- Revisions to the economic forecast partially explain the \$125 million variance since the last revenue forecast and our recommended upward adjustment
- Revenue to date also contributes to the upward revisions
 - Large FY 2022 revision required OR assume near-term revenue collapse
 - Large FY 2023 - 2025 upward revision required OR assume significant revenue decline after CY 2021. We do not believe such a decline is consistent with the economic forecast.

*For example, Q1 refers to February through April revenue, which arises mainly from January – March sales. Excludes the net accrual in 2021 Q2. With the net accrual, 2021 Q2 YoY growth is 51.1%.

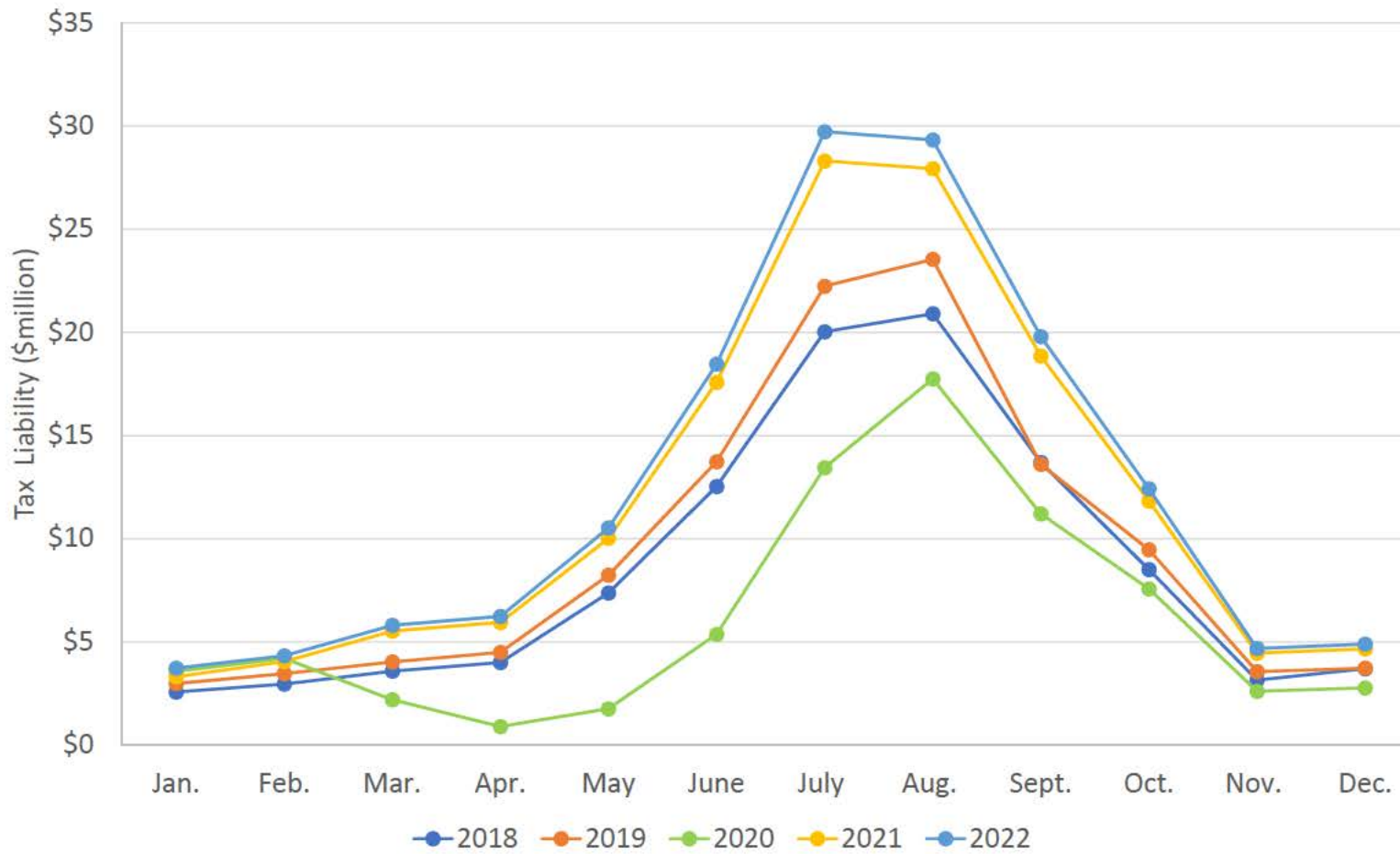
Source of Variance and Forecast Adjustments

	FY 21 Variance + FY 22 Variance Through October		Share of CY Adjustment, 2022 - 2025
	Amount	Share of total	
Non-auto 5.5% Sales	\$57.8	46.2%	55.2% - 60.4%
Lodging 9%	\$24.1	19.3%	14.1% - 17%
Prepared Food 8%	\$21.0	16.8%	12.1% - 15.9%
Auto Sales 5.5%	\$18.2	14.6%	8.9% - 13.4%
Short-term auto rental 10%	\$2.7	2.1%	1.6% - 2.1%
Residual/(Revenue – liability_t-1)	\$1.9	1.6%	0% - 1.7%
Adult use MJ 10%	-\$0.7	-0.6%	-0.4% - 0%
Total	\$124.9		

CEFC Forecast

	2021	2022	2023	2024	2025
	CPI				
April 2021, annual % change	2.4%	2.2%	2.1%	2.1%	2.1%
November 2021, annual % change	4.4%	3.5%	2.1%	2.1%	2.1%
Nov. / Apr. Forecast	2.0%	3.2%	3.2%	3.2%	3.2%
	Personal Income				
April 2021, annual % change	5.0%	0.2%	4.1%	4.3%	4.5%
November 2021, annual % change	5.2%	0.5%	4.6%	4.8%	4.6%
Nov. / Apr. Forecast	0.2%	0.5%	1.0%	1.6%	1.7%
	Savings Rate				
April 2021	14.1%	8.2%	7.6%	7.8%	7.9%
November 2021	11.7%	5.7%	6.2%	6.5%	6.5%
Nov. Forecast - Apr. Forecast	-2.4%	-2.5%	-1.4%	-1.3%	-1.4%
	(1 - savings rate)*personal income				
April 2021, annual % change	7.5%	7.0%	4.7%	4.1%	4.4%
November 2021, annual % change	11.1%	7.4%	4.0%	4.5%	4.6%
Nov. / Apr. Forecast	3.3%	3.7%	2.9%	3.3%	3.5%

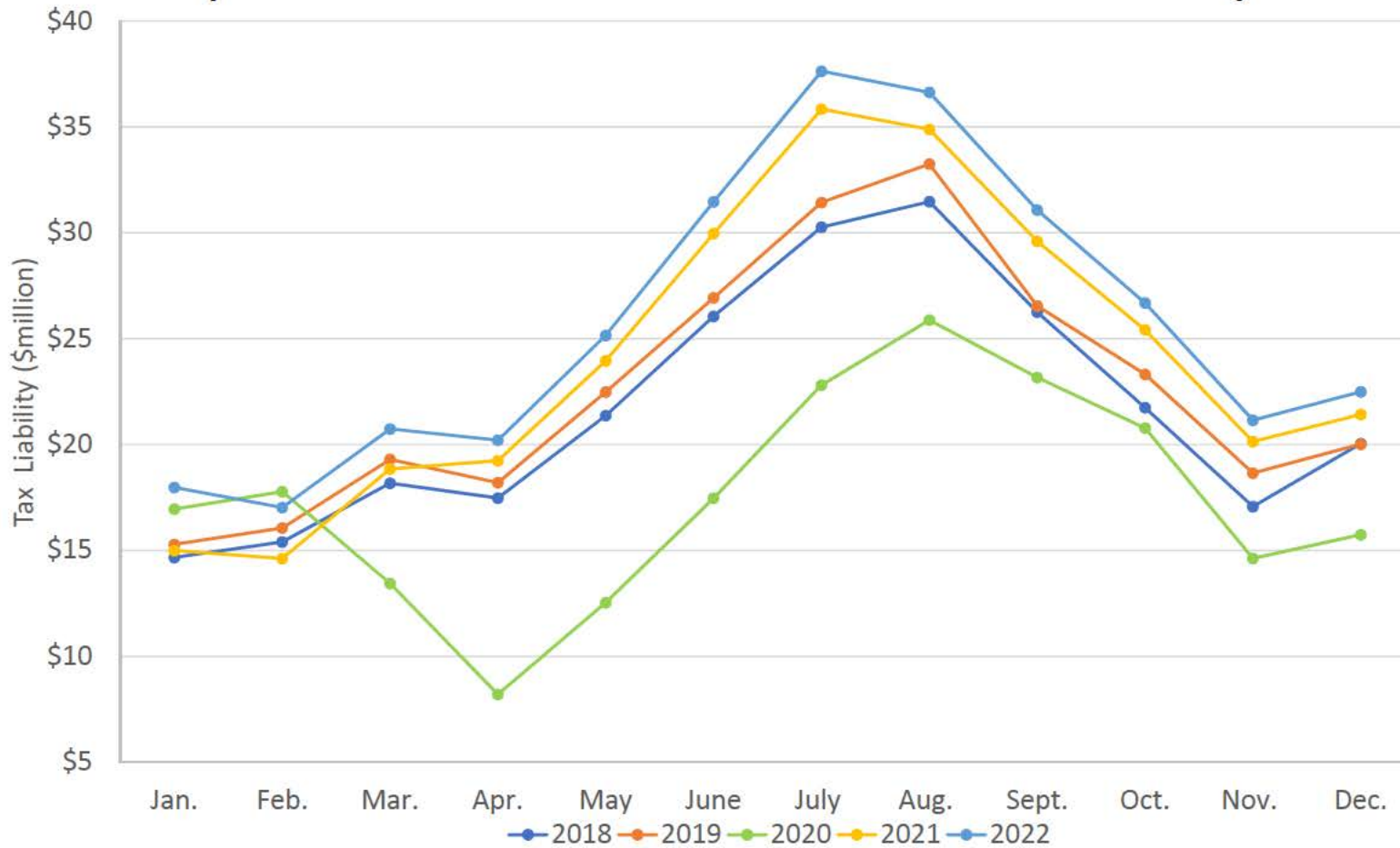
Rental of Lodging Sales Tax: History and Forecast



CY	Revenue	
2019	\$113.1	9.8%
2020	\$73.4	-35.1%
2021	\$142.5	94.2%
2022	\$150.0	5.2%
2023	\$155.7	3.8%
2024	\$161.1	3.5%
2025	\$166.7	3.5%
2021 CYTD		101.1%

Actuals through September 2021 and forecast afterwards. 2021 CYTD is YoY growth through September.

Prepared Foods Sales Tax: History and Forecast

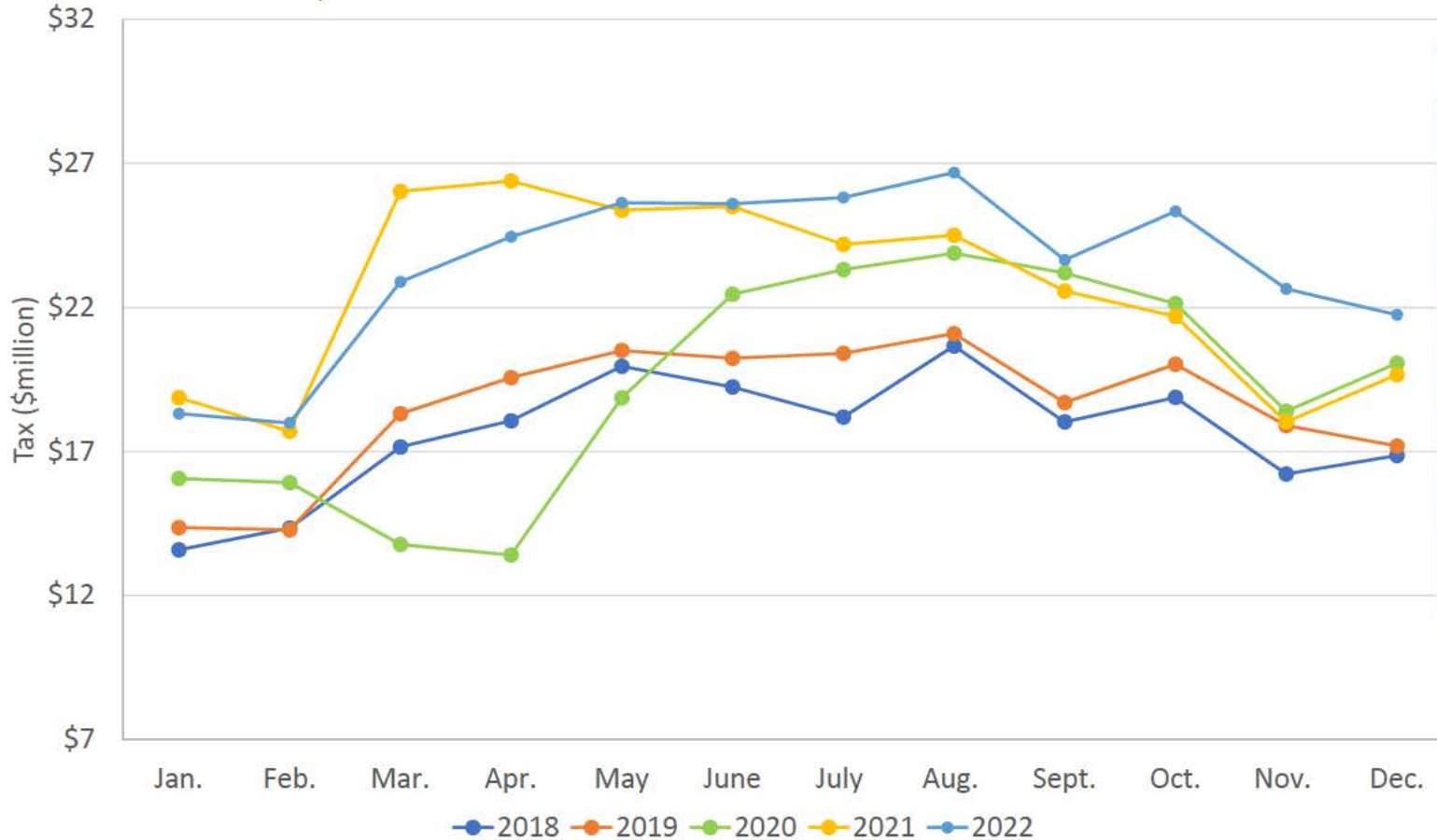


CY	Revenue	
2019	\$271.5	4.4%
2020	\$209.4	-22.9%
2021	\$288.9	38.0%
2022	\$308.2	6.7%
2023	\$319.0	3.5%
2024	\$330.2	3.5%
2025	\$341.7	3.5%
2021 CYTD		40.2%

Actuals through September 2021 and forecast afterwards. 2021 CYTD is YoY growth through September.

Auto Dealer & Lease Sales Tax: History and Forecast

Includes use tax paid on auto sales

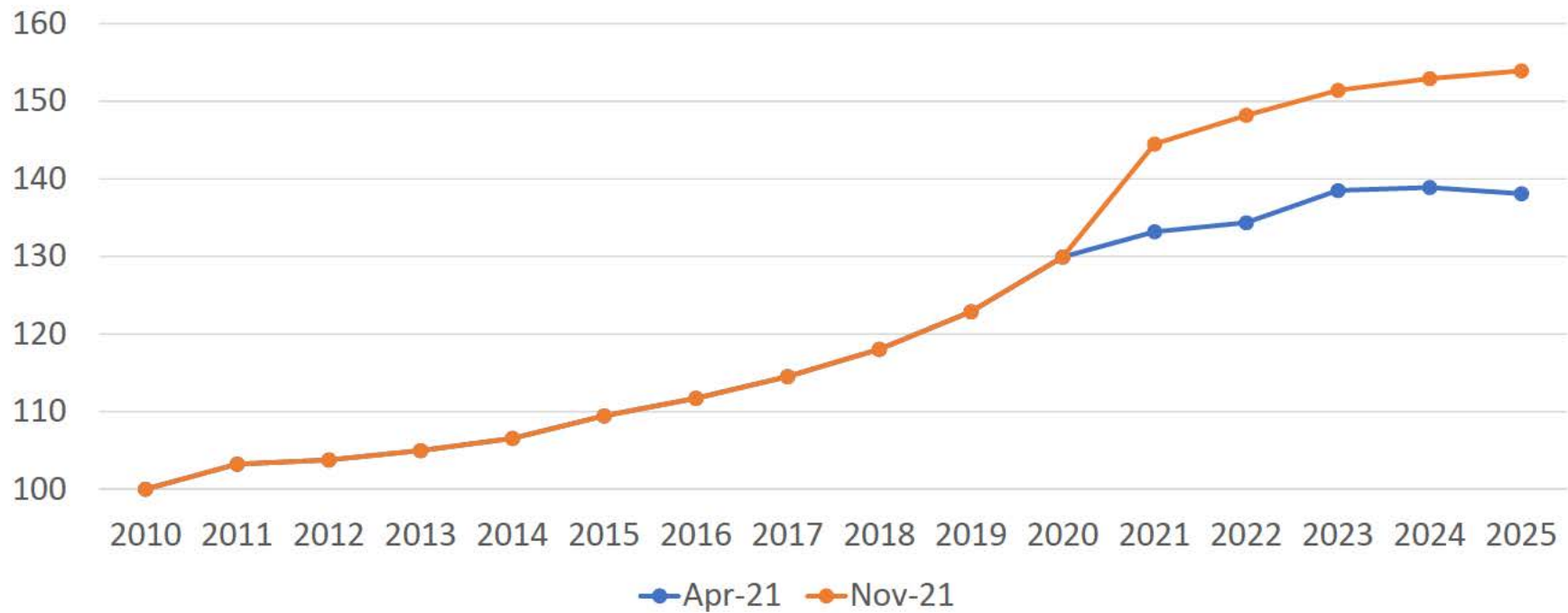


CY	Revenue	
2019	\$222.6	5.4%
2020	\$231.5	4.0%
2021	\$270.5	16.9%
2022	\$280.8	3.8%
2023	\$286.4	2.0%
2024	\$287.8	0.5%
2025	\$287.8	0.0%
2021 CYTD		23.6%

Actuals through September 2021 and forecast afterwards. 2021 CYTD is YoY growth through September.

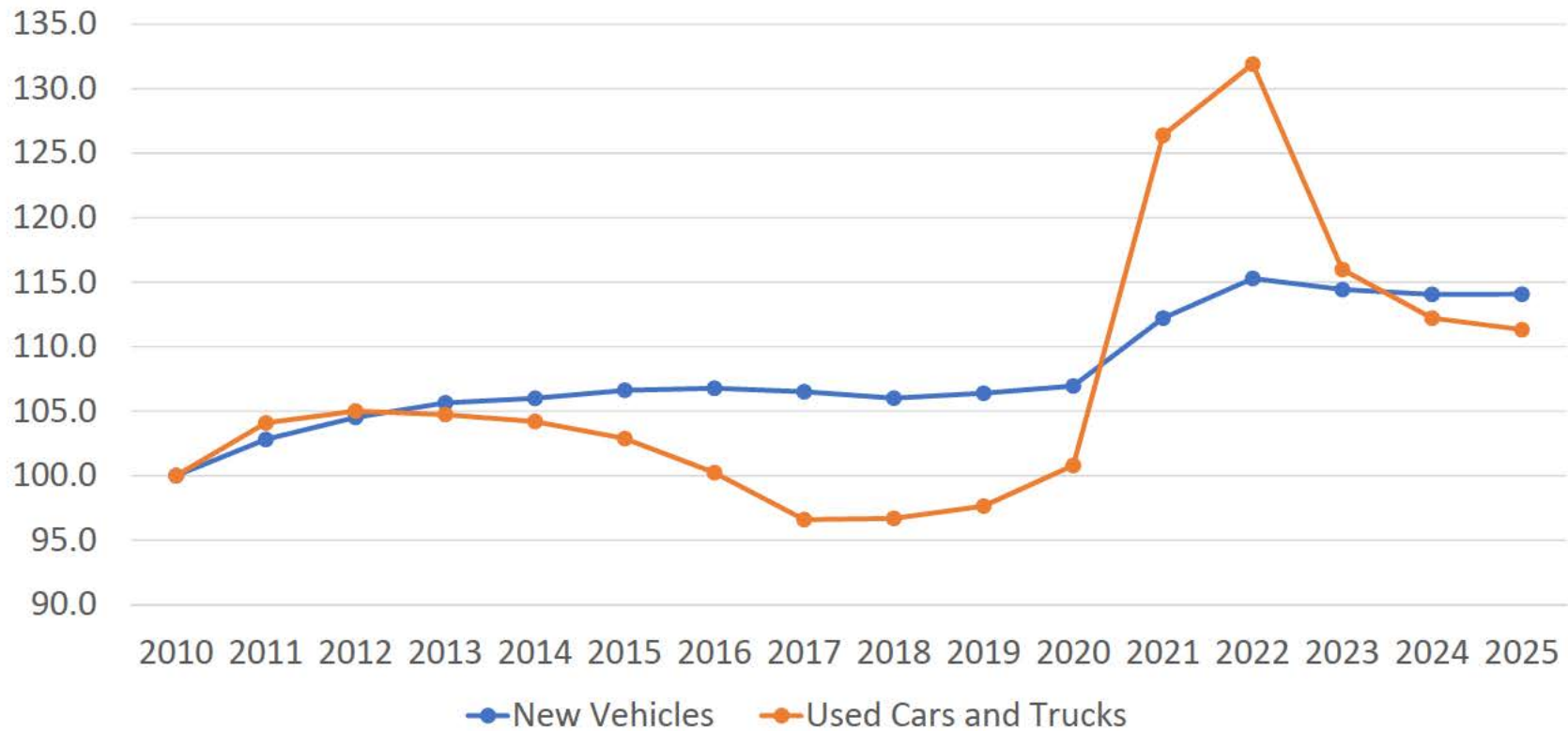
Average Price of New Vehicles, April vs. November CEFC Forecast

(2010 = 100)

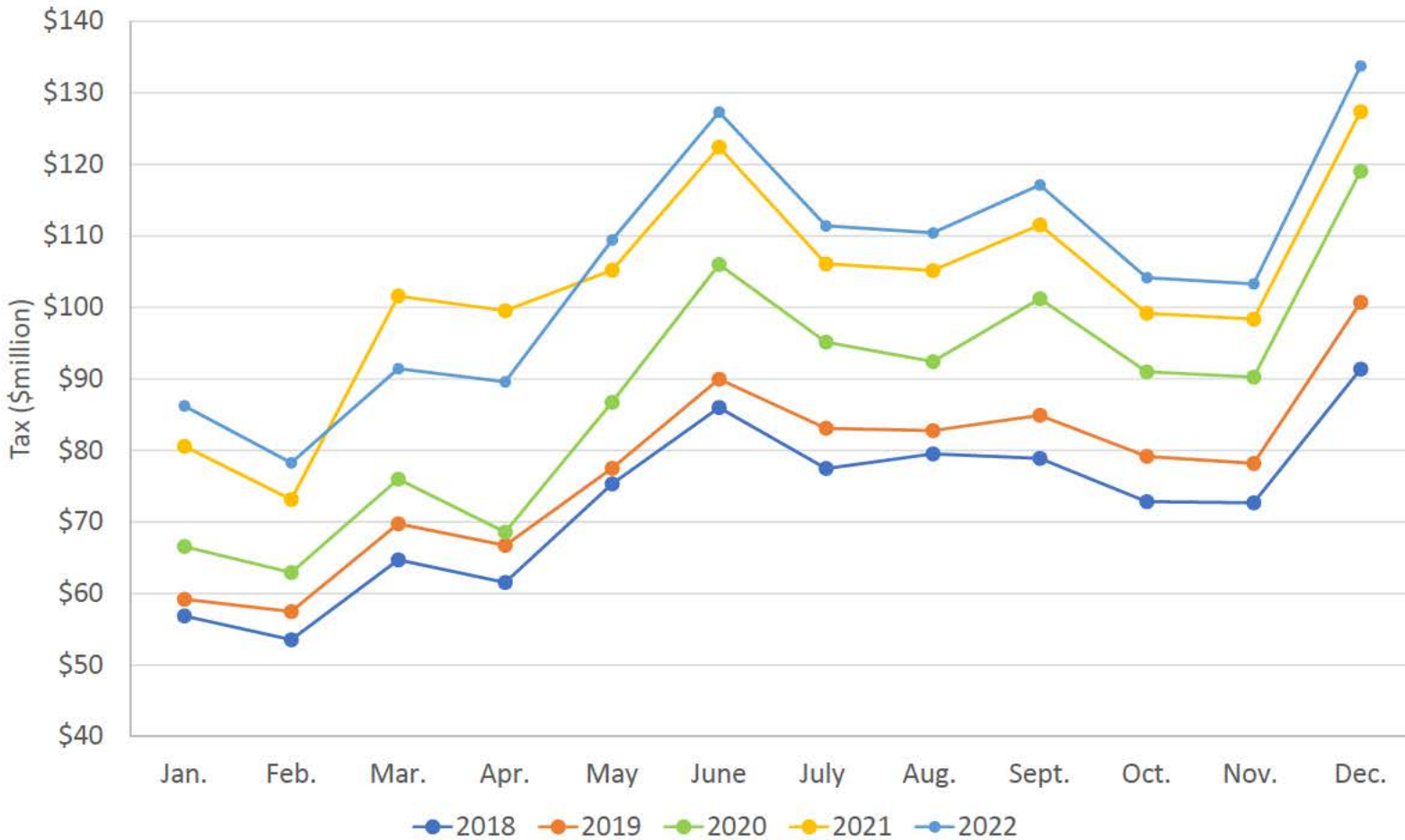


CPI for New and Used Vehicles, Moody's Forecast

(2010 = 100)



Non-Auto 5.5% Sales Tax: History and Forecast

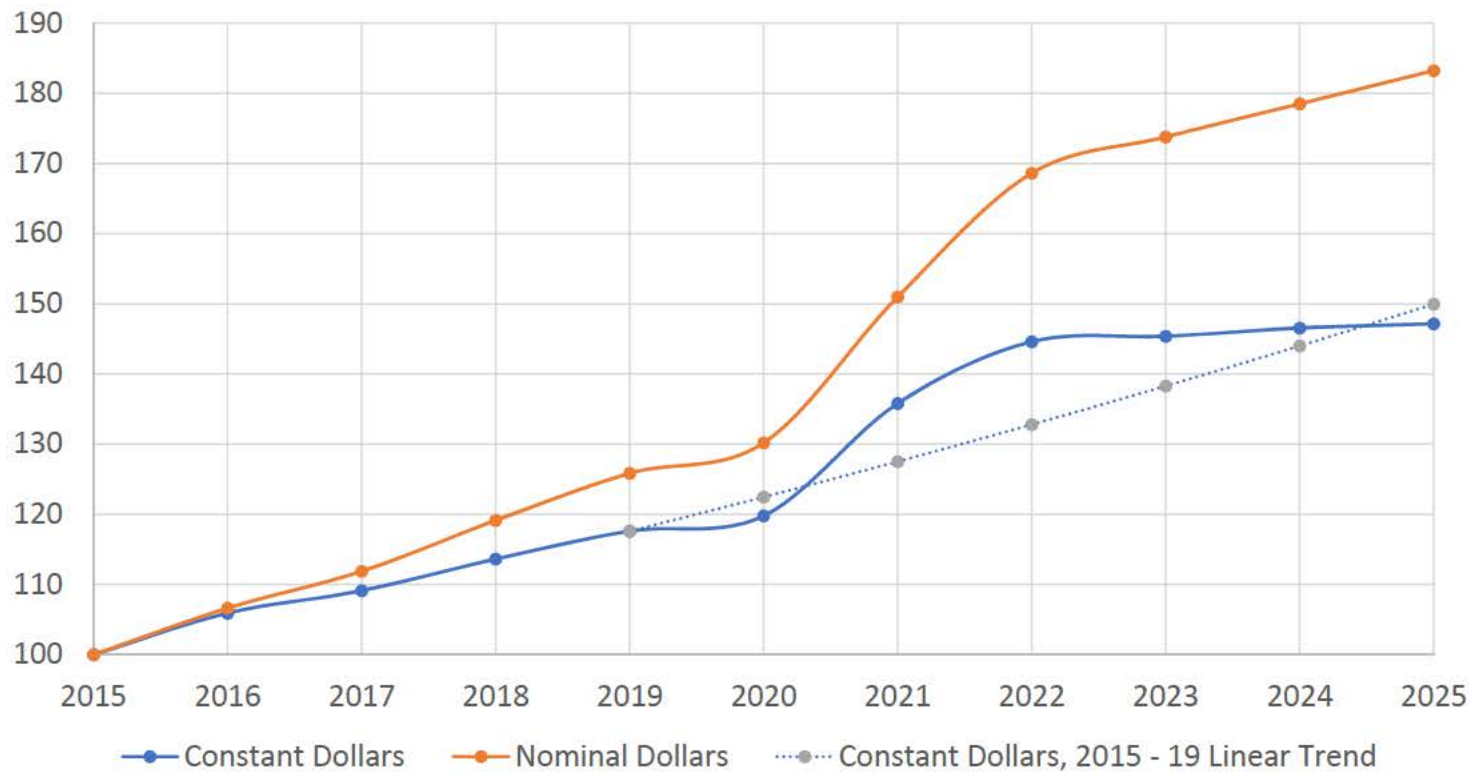


CY	Revenue	
2019	\$929.5	6.7%
2020	\$1,055.9	13.6%
2021	\$1,230.2	16.5%
2022	\$1,262.3	2.6%
2023	\$1,294.6	2.6%
2024	\$1,327.0	2.5%
2025	\$1,360.9	2.6%
2021 CYTD		19.8%

Actuals through September 2021 and forecast afterwards. 2021 CYTD is YoY growth through September.

Sales & Use Tax Revenue by Fiscal Year

Actual and December Forecast Recommendation; 2015=100



6.2% average annual growth FY 2015 - 2025

2015 – 2019 Growth: Many large remote sellers began collecting sales tax over this period.

Individual Income Tax

Individual Income Tax: Annual Growth and Forecast Revision

(\$million)

Fiscal Year	Actual and Forecast	Recommended Change
2017-18	6.5%	
2018-19	5.6%	
2019-20*	7.9%	
2020-21	12.7%	
2021-22	-1.0%	\$203.75
2022-23	2.7%	\$155
2023-24	4.8%	\$171
2024-25	4.5%	\$175

Dollar values in millions. *Without 1040 estimated and final payment accruals FY 20 growth would have been -14.1%.

Individual Income Tax: Main Points

- Tax year 2020 liability growth much better than expected: $\approx 12\%$ growth before refundable credits
- Withholding and estimated payment growth in 2021 supports optimism about 2021 tax liability growth.
- Changes to the economic forecast and BEA personal income revisions are also positive for revenue. The change to the wage forecast is especially relevant.
- The largest risk is that the strong revenue performance is partially attributable to income being pulled forward in anticipation of tax increases. The exact timing and magnitude of this response is unclear.

Tax year 2020

- Why so much better than expected?
 - Capital gains: 40% growth on resident e-file returns
 - Dividends & taxable interest: waiting for data, but 2019 actuals much better than original assumptions
 - Wage revision: 2.9% growth, compared to 1.4% in the last forecast
 - Unemployment insurance
 - Nonresident and part-year resident liability: \approx 26% growth
 - Business income: do not have solid data, but prime suspect given AGI distribution and difficulty of forecasting
 - Miscellaneous other minor factors
 - Residual revenues and timing issues
 - We need more data to offer a more comprehensive answer.
 - Relationship between extension vs non-extension returns in 2020 likely different than past
 - Other unique challenges in 2020.
- In tax year 2020, the income tax liability of the top 30 taxpayers (\$68.4 million) is 94% higher than top 30 in 2019 (\$35.2 million).

Tax year 2021: Revenues to Date

	2020	2021	Growth
Withholding, Jan. – Oct.	\$1,295.1	\$1,438.3	11.1%
Estimated Payments, Feb. – Oct.	\$221.5	\$289.1	30.5%
Fiduciary, Jan. – Oct.	\$15.8	\$43.1	172%

- \$59.2 million variance in estimated payments and withholding since our last forecast, 69% from estimates
- \$19.9 million variance in fiduciary since last forecast
 - Variance largely from June 2020 payments for tax year 2021

Individual Income Tax: History and Recommended Tax Liability Growth Rates

(\$million)

Tax year	Liability before refundable credits	Liability after refundable credits
2018	5.6%	4.9%
2019	5.9%	6.0%
2020	12.2%	11.7%
2021	6.7%	5.2%
2022	1.8%	1.5%
2023	2.9%	2.8%
2024	6.2%	6.5%
2025	5.5%	5.8%

These growth rates represent actual or forecast liability growth as of August three years after the tax year.

Income Tax Forecast: Wages

CEFC Wage Forecast

	2020	2021	2022	2023	2024	2025
Nov. 21	2.9%	5.5%	5.0%	5.0%	5.0%	4.0%
Apr. 21	1.4%	5.0%	4.0%	4.0%	4.0%	4.0%
New wage forecast/previous*	1.2%	1.7%	2.6%	3.6%	4.6%	4.6%
Increase in resident revenue forecast due to wage revisions (\$million)		\$38.8	\$60.3	\$83.7	\$109.9	\$115.2

*There was a downward revision to 2019 wages.

Income Tax Forecast: Capital Gains

Tax Year	2019	2020	2021	2022	2023	2024	2025
December 2021	-1.7%	40%	25.1%	-14.9%	-15.0%	0%	0%
May 2021	9.3%	10.2%	8.2%	1.3%	-7.5%	-3.9%	-1.4%
CBO July 2021	10.4%	11.6%	10.1%	0.0%	-0.3%	-7.3%	-4.1%
CBO January 2021	10.6%	-7.7%	23.8%	1.3%	-7.5%	-3.9%	-1.4%
Contribution to resident liability revision (\$million)			\$63.8	\$16.1	-\$5.1	\$1.9	\$4.2

- We are assuming much stronger growth in tax years 2020 and 2021 compared to the last forecast, but from a lower 2019 base.
 - In the May forecast we did not have data on 2019 AGI components.
 - Our assumptions overstated capital gains and understated taxable interest and dividend income.
 - Raised approximately \$17 million more from taxable interest and dividends in 2019 than originally forecast; this base difference affects the forecast years
- 2021 capital gains growth assumption is driven by revenue performance to date.

Income Tax Forecast: Business Income

	2020	2021	2022	2023	2024	2025
November 21 CEFC	0.8%	5.5%	6.5%	6.0%	5.7%	5.4%
April 21 CEFC	0.8%	3.2%	6.5%	6.0%	5.7%	5.4%

- 2020 and 2021 nonfarm proprietor’s income includes new nontaxable subsidies, including forgiven PPP loans, EIDL advances, and restaurant revitalization fund grants.
- For tax year 2021 forecast, we start with 2019 – 2021 growth in nonfarm proprietor’s income (6.4%) and reduce by 4 percentage points to estimate the growth in nonfarm proprietor’s income without new nontaxable subsidies.
- Pass-through income forecast to grow 8.6% between 2019 – 2021.
 - If income shifting is important in 2021, this assumption could be too conservative.

Income Tax Forecast: Miscellaneous

- Inflation: Resident liability would be \$12 million higher in 2022, \$34 million higher in 2023, and \$40 -\$41 million higher in 2024 – 2025 if the inflation forecast was unchanged
- Fiduciary: drag on growth rate in FY 2022
- Opportunity Maine: drag on growth rate in tax year 2022/fiscal year 2023 as repayment deferment ends

Income Tax Shifting: Example

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Provision	Effective	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-26	2022-31
4. Rents from prison facilities not treated as qualified income for purposes of REIT income tests.....	tyba 12/31/21	5	9	10	10	6	3	3	3	3	3	40	55
5. Modifications to exemption for portfolio interest.....	oia DOE	576	876	405	118	25	20	16	13	10	8	2,000	2,067
6. Certain partnership interest derivatives.....	pma 12/31/22	4	9	9	9	9	10	10	10	10	10	41	90
7. Adjustments to earnings and profits of controlled foreign corporations.....	[21]	150	325	375	425	475	525	575	625	675	725	1,750	4,875
8. Certain dividends from controlled foreign corporations to United States shareholders treated as extraordinary dividends.....	[22]	----- Estimate Included in Item H.I.C.4. Above -----											
9. Limitation on certain special rules for section 1202 gains.....	generally sacoa 9/13/21	69	470	517	572	639	698	705	710	677	661	2,267	5,718
10. Constructive sales.....	generally csa DOE	----- Estimate Included in Item H.I.E.12. Below -----											
11. Rules relating to common control.....	tyba 12/31/21	628	1,267	1,276	1,313	1,434	1,601	1,788	2,011	2,248	2,457	5,919	16,023
12. Modification of wash sale rules.....	sdata 12/31/21	3,226	4,946	2,725	1,626	1,074	804	653	587	562	559	13,597	16,762
13. Research and experimental expenditures (sunset 12/31/25).....	DOE	-29,091	-39,856	-32,161	-24,133	19,284	38,009	29,958	19,853	9,269	4,851	-105,956	-4,016
Total of Part 1 - Corporate and International Tax Reforms.....		-12,192	53,916	75,743	73,918	103,646	111,001	107,453	103,052	98,066	99,369	295,033	813,974
Part 2 - Tax Increases for High-Income Individuals													
1. Application of net investment income tax to trade or business income of certain high income individuals.....	tyba 12/31/21	12,742	19,543	21,734	24,050	25,861	27,966	28,997	29,675	30,439	31,156	103,930	252,163
2. Limitations on excess business losses of noncorporate taxpayers made permanent, with carryforward modification.....	tyba 12/31/20	3,127	2,046	2,123	2,204	2,288	21,665	31,221	30,130	31,909	33,563	11,788	160,276
3. Surcharge on high income individuals, estates, and trusts (initial surtax on AGI of 5% in excess of \$10,000,000 and additional surtax of 3% on AGI in excess of \$25,000,000).....	tyba 12/31/21	40,035	-18,667	22,215	23,436	24,332	24,223	25,465	27,540	28,779	30,413	91,350	227,771

JCT, JCX-45-21, Estimated Budget Effects Of The Revenue Provisions Of Title XIII – Committee On Ways And Means, Of H.R. 5376, The “Build Back Better Act,” As Reported By The Committee On The Budget, With Modifications (Rules Committee Print 117-18), November 4, 2021.

March 1st Forecast

- The final estimated payment for tax year 2021 will be an important consideration in the next revenue forecast.
- We will adjust the FY 2022 revenue forecast, as needed, based on that payment.
 - Currently assume 19.7% growth in tax liability (before refundable credits) between 2019 and 2021.
 - Not assuming more growth given the economic assumptions at this point.
 - Once we have the last estimated payment, we will put a larger weight on revenue performance to date.
- Another large upward revision to FY 2022 is a real possibility. If that turns out to be the case, then we must consider whether some of that extra revenue comes at the expense of FY 2023 and FY 2024 revenue.

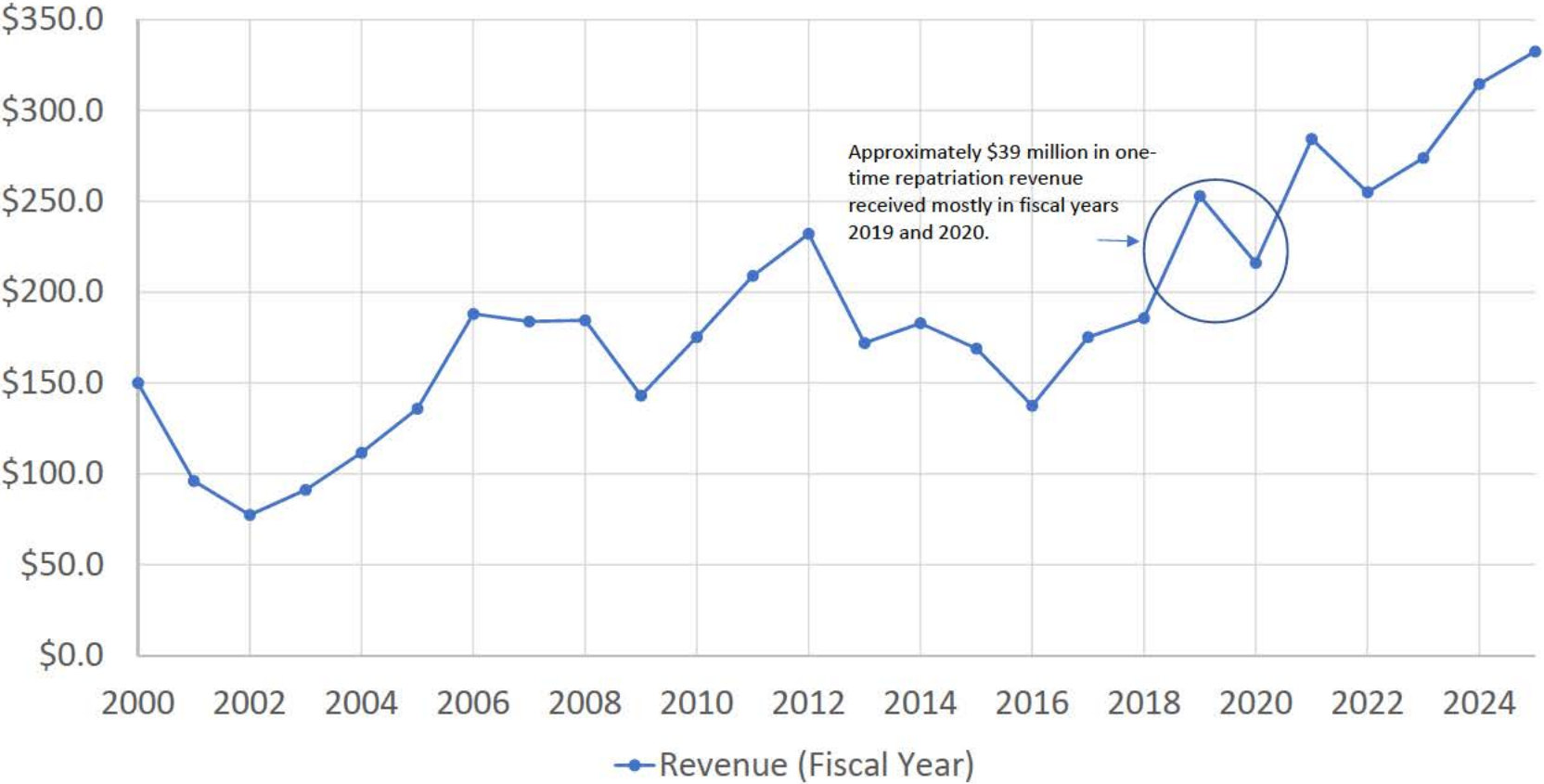
Corporate Income Tax

Corporate Income Tax: Annual Growth and Forecast Revision

Fiscal Year	Actual and forecast	Change in Forecast
2017-18	6.0%	
2018-19	36.1%	
2019-20	-14.5%	
2020-21	31.5%	
2021-22	-10.3%	\$35
2022-23	7.4%	\$35
2023-24	14.9%	\$48
2024-25	5.7%	\$53.5

Corporate Income Tax Revenue: History and Forecast

(\$million)



Corporate Income Tax: CEFC Before-Tax Corporate Profits Forecast, Annual Growth

	2020	2021	2022	2023	2024	2025
April CEFC	-3.5%	15.0%	4.7%	4.7%	4.7%	4.7%
November CEFC	-3.1%	30.0%	2.0%	3.0%	6.0%	6.0%

Other Taxes

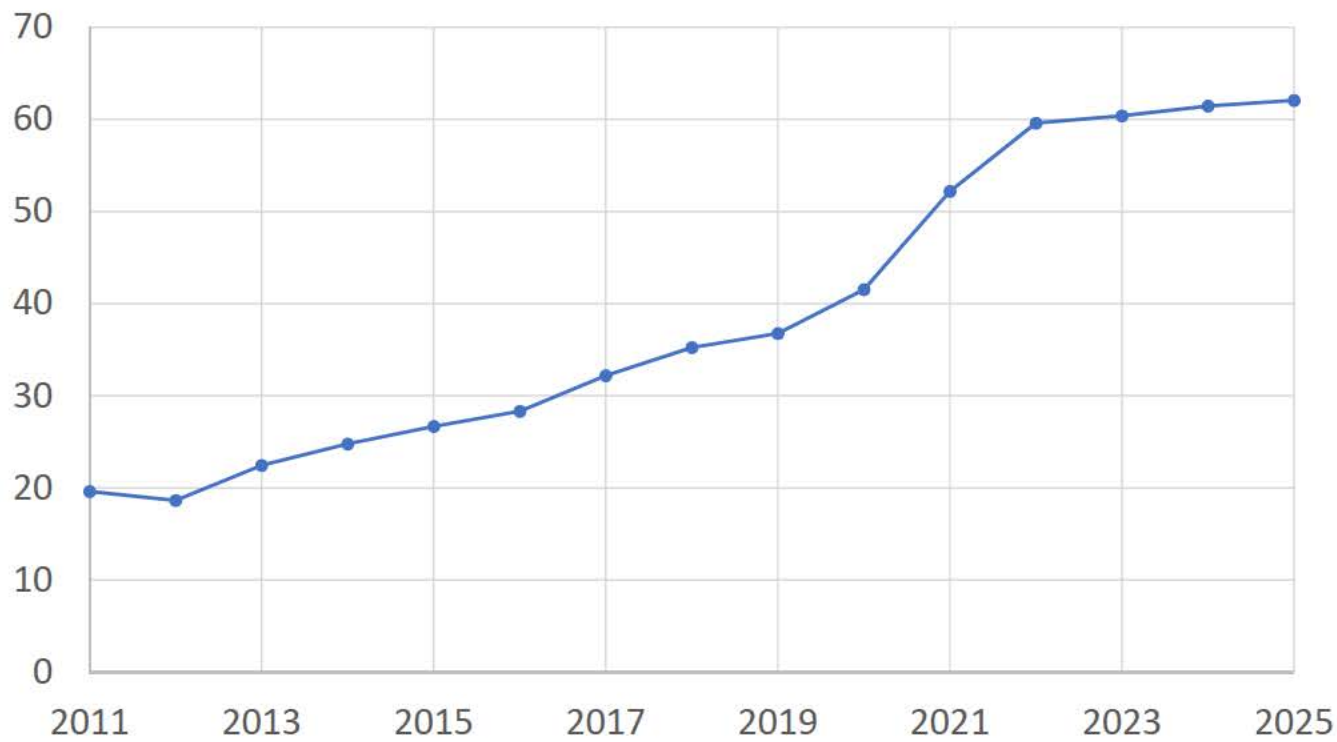
Real estate transfer tax

	Home price, existing median		Home sales, existing single-family	
	April Forecast	November Forecast	April Forecast	November Forecast
2020	13.3%	13.0%	22.9%	22.9%
2021	12.1%	18.7%	-0.5%	-7.9%
2022	2.5%	4.2%	-5.6%	-2.4%
2023	1.8%	1.8%	1.6%	7.7%
2024	0.9%	0.4%	2.4%	9.1%
2025	0.9%	0.4%	1.3%	-2.9%

- Through mid-November, positive FY 2022 variance of \$2.6 million.
- Increase General Fund forecast by approximately \$3.8 million in FY 2022 and approximately \$3 million per year afterward.

Total RETT Revenue by Fiscal Year

(\$million)



Cigarette, Tobacco, and Marijuana Excise Taxes

- Marijuana Excise Tax
 - Large negative variances through summer months
 - Downward adjustment of \$4.8 - \$6.3 million, percentage adjustment largest in FY 2022
- Cigarette Excise Tax
 - In the last forecast, we made a downward adjust of \$4.5 million in FY 21 and ended FY 21 with +\$4.5 million variance
 - +\$3.8 million variance FY to date
 - FTC report: cigarette purchases increased slightly in CY 2020, the first increase in two decades
 - Positive adjustments \$5.3 - \$5.6 million per fiscal year
 - Still declining 1.5 – 2% per year but from higher base

Estate Tax

Fiscal Year	2022	2023	2024	2025
Forecast Change (\$mil)	\$6.1	\$3.65	\$3.15	\$3.25



APPENDIX G

Other Background Materials

Table of Contents

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Medicaid/MaineCare Dedicated Revenue Detail.....	G-5

Milk Handling Fee and Transfer to Maine Milk Pool - December 2021 Forecast

HANDLING FEE INCOME

Month	FY22	FY22	FY23	FY23
	Basic Price	Revenue	Basic Price	Revenue
June	\$21.54	\$73,478	\$22.66	\$74,069
July	\$20.67	\$147,845	\$22.61	\$74,069
August	\$20.15	\$148,138	\$22.64	\$74,069
Sept.	\$19.84	\$214,978	\$22.65	\$74,069
Oct.	\$20.33	\$148,138	\$22.62	\$74,069
Nov.	\$21.23	\$74,069	\$22.64	\$74,069
Dec.	\$21.86	\$74,069	\$22.51	\$74,069
Jan.	\$22.73	\$74,069	\$22.39	\$74,069
Feb.	\$21.97	\$74,069	\$22.24	\$74,069
March	\$22.46	\$74,069	\$21.97	\$74,069
April	\$22.68	\$74,069	\$21.50	\$74,069
May	\$22.71	\$74,069	\$21.50	\$74,069
		\$1,251,060		\$888,828

TIER PROGRAM PAYMENTS

FY22	Month	Federal	Federal	Average	Average	Total	Support
		Blend/CWT	MILC/CWT	Premium	Support/CWT	Pounds	Payment
	Jun-21	\$18.50	\$0.00	\$0.28	\$2.17	48,495,805	\$1,052,780
	Jul-21	\$18.06	\$0.00	\$0.31	\$2.22	48,719,251	\$1,082,613
	Aug-21	\$17.66	\$0.00	\$0.31	\$2.21	46,716,158	\$1,034,476
	Sep-21	\$17.96	\$0.00	\$0.32	\$1.66	44,727,689	\$742,987
	Oct-21	\$18.48	\$0.00	\$0.30	\$1.11	47,714,020	\$530,222
	Nov-21	\$19.43	\$0.00	\$0.30	\$0.50	46,143,993	\$231,026
	Dec-21	\$19.62	\$0.00	\$0.30	\$0.39	48,222,752	\$186,353
	Jan-22	\$20.20	\$0.00	\$0.30	\$0.14	49,551,398	\$71,671
	Feb-22	\$20.14	\$0.00	\$0.30	\$0.13	45,025,106	\$56,417
	Mar-22	\$20.39	\$0.00	\$0.30	\$0.05	50,079,732	\$26,893
	Apr-22	\$20.39	\$0.00	\$0.30	\$0.05	49,159,622	\$25,062
	May-22	\$20.29	\$0.00	\$0.30	\$0.06	51,066,730	\$32,043
						FY22 Exp	\$5,072,542
						.5% of net slot income from Oxford Casino	\$399,125
						Net GF Exp	\$4,673,417

FY23	Month	Federal	Federal	Average	Average	Total	Support
		Blend/CWT	MILC/CWT	Premium	Support/CWT	Pounds	Payment
	Jun-22	\$20.23	\$0.00	\$0.30	\$0.43	48,495,805	\$210,269
	Jul-22	\$20.22	\$0.00	\$0.30	\$0.28	48,719,251	\$137,394
	Aug-22	\$20.26	\$0.00	\$0.30	\$0.20	46,716,158	\$93,489
	Sep-22	\$20.30	\$0.00	\$0.30	\$0.15	46,925,915	\$68,200
	Oct-22	\$20.33	\$0.00	\$0.30	\$0.13	47,714,020	\$60,756
	Nov-22	\$20.21	\$0.00	\$0.30	\$0.14	46,143,993	\$66,307
	Dec-22	\$20.05	\$0.00	\$0.30	\$0.17	48,222,752	\$82,008
	Jan-23	\$19.85	\$0.00	\$0.30	\$0.24	49,551,398	\$118,132
	Feb-23	\$19.81	\$0.00	\$0.30	\$0.23	45,025,106	\$104,201
	Mar-23	\$19.67	\$0.00	\$0.30	\$0.27	50,079,732	\$136,504
	Apr-23	\$19.50	\$0.00	\$0.30	\$0.33	49,159,622	\$161,450
	May-23	\$19.50	\$0.00	\$0.30	\$0.31	51,066,730	\$156,538
						FY23 Exp	\$1,395,249
						.5% of net slot income from Oxford Casino	\$370,826
						Net GF Exp	\$1,024,423

Milk Handling Fee and Transfer to Maine Milk Pool - December 2021 Forecast

HANDLING FEE INCOME

Month	FY24	FY24	FY24	FY25
	Basic Price	Revenue	Basic Price	Revenue
June	\$21.50	\$74,069	\$21.50	\$74,069
July	\$21.50	\$74,069	\$21.50	\$74,069
August	\$21.50	\$74,069	\$21.50	\$74,069
Sept.	\$21.50	\$74,069	\$21.50	\$74,069
Oct.	\$21.50	\$74,069	\$21.50	\$74,069
Nov.	\$21.50	\$74,069	\$21.50	\$74,069
Dec.	\$21.50	\$74,069	\$21.50	\$74,069
Jan.	\$21.50	\$74,069	\$21.50	\$74,069
Feb.	\$21.50	\$74,069	\$21.50	\$74,069
March	\$21.50	\$74,069	\$21.50	\$74,069
April	\$21.50	\$74,069	\$21.50	\$74,069
May	\$21.50	\$74,069	\$21.50	\$74,069
		\$888,828		\$888,828

TIER PROGRAM PAYMENTS

FY24	Federal Blend/CWT	Federal MILC/CWT	Average Premium	Average Support/CWT	Total Pounds	Support Payment
	\$19.50	\$0.00	\$0.29	\$0.55	575,622,256	3,170,793
					FY24 Exp	\$3,170,793
			.5% of net slot income from Oxford Casino		\$	372,680
					Net GF Exp	\$2,798,113

FY25	Federal Blend/CWT	Federal MILC/CWT	Average Premium	Average Support/CWT	Total Pounds	Support Payment
	\$19.50	\$0.00	\$0.29	\$0.55	575,622,256	3,170,793
					FY25 Exp	\$3,170,793
			.5% of net slot income from Oxford Casino			\$374,543
					Net GF Exp	\$2,796,250

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
Adjusted by OFPR to include Oxford Casino slot income.

Medicaid/MaineCare Dedicated Revenue Taxes Detail - December 2021 Revenue Forecast

New Approp	REV SHORT TITLE	REV SRC	FY 2017	2016-2017	FY 2018	2017-2018	FY 2019	2018-2019	FY 2020	2019-2020	FY 2021	2020-2021
			Actuals	% Chg.	Actuals	% Chg.	Actuals	% Chg.	Actuals	% Chg.	Actuals	% Chg.
	NURSING FACILITIES-NF TAX	0670	36,162,788	-2.5%	33,755,577	-6.7%	34,999,161	3.7%	43,432,833	24.1%	38,214,675	-12.0%
01410A014802	RES TRMT FACILITIES TAX	0671	1,777,492	-3.4%	1,905,823	7.2%	1,886,325	-1.0%	2,061,980	9.3%	2,336,341	13.3%
01410AZ219753	RES TRMT FACILITIES TAX	0671	58,705	-5.8%	61,404	4.6%	60,153	-2.0%	65,649	9.1%	60,626	-7.7%
01410AZ21057	RES TRMT FACILITIES TAX	0671	102,932	-0.7%	110,852	7.7%	109,027	-1.6%	122,693	12.5%	140,993	14.9%
01410AZ21254	Subtotal RTF Tax		1,939,129	-3.3%	2,078,079	7.2%	2,055,506	-1.1%	2,250,322	9.5%	2,537,960	12.8%
01410A014704	MEDICAL CARE-HOSPITAL TAX	1913	95,028,525	-0.3%	103,355,698	8.8%	102,503,718	-0.8%	115,464,903	12.6%	115,888,153	0.4%
01410AZ21050	MED MATCH MR-PNMI TAX	0675	730,857	13.2%	759,814	4.0%	793,987	4.5%	767,968	-3.3%	655,253	-14.7%
01410AZ21052	MED MATCH MR-SERV PROV TAX	0675	20,436,200	9.5%	21,859,304	7.0%	23,642,031	8.2%	25,264,933	6.9%	24,877,236	-1.5%
01410AZ20144	MH SERV COMM MED-PNMI TAX	0675	2,972,538	12.3%	3,090,313	4.0%	3,229,302	4.5%	3,104,342	-3.9%	5,907,990	90.3%
01410AZ20140	MH COMMUNITY SUPPORT TAX	0675	2,926,850	-27.6%	3,315,623	13.3%	3,532,821	6.6%	3,278,670	-7.2%	3,319,023	1.2%
01410AZ20241	MEDICAL SEED-PNMI TAX	0675	785,368	13.2%	816,485	4.0%	853,207	4.5%	819,676	-3.9%	200,278	-75.6%
01410A014701	MEDICAL CARE SERVICES	0675	15,858,949	18.1%	16,118,882	1.6%	18,373,373	14.0%	19,754,717	7.5%	16,620,835	-15.9%
	Subtotal Service Provider (PNMI) Tax		43,710,762	8.9%	45,960,421	5.1%	50,424,722	9.7%	52,990,306	5.1%	51,580,615	-2.7%
			176,841,205	1.3%	185,149,775	4.7%	189,983,107	2.6%	214,138,364	12.7%	208,221,403	-2.8%
	Nursing Home Tax		36,162,788	-2.5%	33,755,577	-6.7%	34,999,161	3.7%	43,432,833	24.1%	38,214,675	-12.0%
	RTF's Tax		1,939,129	-3.3%	2,078,079	7.2%	2,055,506	-1.1%	2,250,322	9.5%	2,537,960	12.8%
	Hospital Tax		95,028,525	-0.3%	103,355,698	8.8%	102,503,718	-0.8%	115,464,903	12.6%	115,888,153	0.4%
	Service Provider (PNMI) Tax		43,710,762	8.9%	45,960,421	5.1%	50,424,722	9.7%	52,990,306	5.1%	51,580,615	-2.7%
			176,841,205	1.3%	185,149,775	4.7%	189,983,107	2.6%	214,138,364	12.7%	208,221,403	-2.8%

Medicaid/MaineCare Dedicated Revenue Taxes Detail - December 2021 Revenue Forecast

New Approp	REV SHORT TITLE REV SRC	FY 2022	FY 2022	FY 2022	FY 2022	FY 2022	2021-2022	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023	2022-2023	
		Rev. Est. May-21	Leg. Changes Dec-21	Rev. Budget Dec-21	Req. Chg. Dec-21	Rev. Est. Dec-21	% Chg.	Rev. Est. May-21	Leg. Changes Dec-21	Rev. Budget Dec-21	Req. Chg. Dec-21	Rev. Est. Dec-21	% Chg.	
	NURSING FACILITIES-NF TAX	0670	38,929,267	1,780,235	40,709,502	512,375	41,221,877	7.9%	38,127,461	3,597,782	41,725,243	1,418,907	43,144,150	4.7%
01410AZ19753	RES TRMT FACILITIES TAX	0671	1,999,627	-	1,999,627	306,662	2,306,289	-1.3%	1,999,627	(1,865,000)	134,627	306,662	441,289	-80.9%
01410AZ21057	RES TRMT FACILITIES TAX	0671	52,374	-	52,374	12,786	65,160	7.5%	52,374	(57,000)	(4,626)	12,786	8,160	-87.5%
01410AZ21254	RES TRMT FACILITIES TAX	0671	123,356	-	123,356	27,951	151,307	7.3%	123,356	(105,000)	18,356	27,951	46,307	-69.4%
	Subtotal RTF Tax		2,175,357	-	2,175,357	347,399	2,522,756	-0.6%	2,175,357	(2,027,000)	148,357	347,399	495,756	-80.3%
01410A014704	MEDICAL CARE-HOSPITAL TAX	1913	127,706,538	-	127,706,538	-	127,706,538	10.2%	127,706,538	-	127,706,538	-	127,706,538	0.0%
01410AZ21050	MED MATCH MR-PNMI TAX	0675	1,418,435	96,436	1,514,871	(782,666)	732,205	11.7%	1,418,435	1,038,229	2,456,664	(1,628,563)	828,101	13.1%
01410AZ21052	MED MATCH MR-SERV PROV TAX	0675	27,845,608	696,255	28,541,863	(2,709,844)	25,832,019	3.8%	25,893,379	6,976,434	32,869,813	(1,942,811)	30,927,002	19.7%
01410AZ20144	MH SERV COMM MED-PNMI TAX	0675	5,354,992	-	5,354,992	761,078	6,116,070	3.5%	5,354,992	(3,030,000)	2,324,992	761,078	3,086,070	-49.5%
01410AZ20140	MH COMMUNITY SUPPORT TAX	0675	3,488,669	131,678	3,620,347	157,434	3,777,781	13.8%	3,488,669	(2,435,256)	1,053,413	211,331	1,264,744	-66.5%
01410AZ20241	MEDICAID SEED-PNMI TAX	0675	516,854	-	516,854	(305,984)	210,870	5.3%	516,854	(516,854)	-	-	-	-100.0%
01410A014701	MEDICAL CARE SERVICES	0675	16,366,500	1,852,865	18,219,365	(648,688)	17,570,677	5.7%	16,141,263	7,965,418	24,106,681	(494,752)	23,611,929	34.4%
	Subtotal Service Provider (PNMI) Tax		54,991,058	2,777,234	57,768,292	(3,528,670)	54,239,622	5.2%	52,813,592	9,997,971	62,811,563	(3,093,717)	59,717,846	10.1%
			223,802,220	4,557,469	228,359,689	(2,668,896)	225,690,793	8.4%	220,822,948	11,568,753	232,391,701	(1,327,411)	231,064,290	2.4%
	Nursing Home Tax		38,929,267	1,780,235	40,709,502	512,375	41,221,877	7.9%	38,127,461	3,597,782	41,725,243	1,418,907	43,144,150	4.7%
	RTF's Tax		2,175,357	-	2,175,357	347,399	2,522,756	-0.6%	2,175,357	(2,027,000)	148,357	347,399	495,756	-80.3%
	Hospital Tax		127,706,538	-	127,706,538	-	127,706,538	10.2%	127,706,538	-	127,706,538	-	127,706,538	0.0%
	Service Provider (PNMI) Tax		54,991,058	2,777,234	57,768,292	(3,528,670)	54,239,622	5.2%	52,813,592	9,997,971	62,811,563	(3,093,717)	59,717,846	10.1%
			223,802,220	4,557,469	228,359,689	(2,668,896)	225,690,793	8.4%	220,822,948	11,568,753	232,391,701	(1,327,411)	231,064,290	2.4%

Medicaid/MaineCare Dedicated Revenue Taxes Detail - December 2021 Revenue Forecast

New Approp	REV SHORT TITLE	REV SRC	FY 2024	FY 2024	FY 2024	FY 2024	FY 2024	2023-2024	FY 2025	FY 2025	FY 2025	FY 2025	FY 2025	2024-2025
			Rev. Est. May-21	Leg. Changes Dec-21	Rev. Budget Dec-21	Req. Chg. Dec-21	Rev. Est. Dec-21	% Chg.	Rev. Est. May-21	Leg. Changes Dec-21	Rev. Budget Dec-21	Req. Chg. Dec-21	Rev. Est. Dec-21	% Chg.
	NURSING FACILITIES-NF TAX	0670	38,127,461	3,597,782	41,725,243	1,418,907	43,144,150	0.0%	38,127,461	3,597,782	41,725,243	1,418,907	43,144,150	0.0%
01410A014802	RES TRMT FACILITIES TAX	0671	1,999,627	(1,865,000)	134,627	306,662	441,289	0.0%	1,999,627	(1,865,000)	134,627	306,662	441,289	0.0%
01410AZ21057	RES TRMT FACILITIES TAX	0671	52,374	(57,000)	(4,626)	12,786	8,160	0.0%	52,374	(57,000)	(4,626)	12,786	8,160	0.0%
01410AZ21254	RES TRMT FACILITIES TAX	0671	123,356	(105,000)	18,356	27,951	46,307	0.0%	123,356	(105,000)	18,356	27,951	46,307	0.0%
	Subtotal RTF Tax		2,175,357	(2,027,000)	148,357	347,399	495,756	0.0%	2,175,357	(2,027,000)	148,357	347,399	495,756	0.0%
01410A014704	MEDICAL CARE-HOSPITAL TAX	1913	127,706,538	-	127,706,538	-	127,706,538	0.0%	127,706,538	-	127,706,538	-	127,706,538	0.0%
01410AZ21050	MED MATCH MR-PNMI TAX	0675	1,418,435	1,038,229	2,456,664	(1,628,563)	828,101	0.0%	1,418,435	1,038,229	2,456,664	(1,628,563)	828,101	0.0%
01410AZ21052	MED MATCH MR-SERV PROV TAX	0675	25,893,379	6,976,434	32,869,813	(1,942,811)	30,927,002	0.0%	25,893,379	6,976,434	32,869,813	(1,942,811)	30,927,002	0.0%
01410AZ20144	MH SERV COMM MED-PNMI TAX	0675	5,354,992	(3,030,000)	2,324,992	761,078	3,086,070	0.0%	5,354,992	(3,030,000)	2,324,992	761,078	3,086,070	0.0%
01410AZ20140	MH COMMUNITY SUPPORT TAX	0675	3,488,669	(2,435,256)	1,053,413	211,331	1,264,744	0.0%	3,488,669	(2,435,256)	1,053,413	211,331	1,264,744	0.0%
01410AZ20241	MEDICAID SEED-PNMI TAX	0675	516,854	(516,854)	-	-	-	NA	516,854	(516,854)	-	-	-	NA
01410A014701	MEDICAL CARE SERVICES	0675	16,141,263	7,965,418	24,106,681	(494,752)	23,611,929	0.0%	16,141,263	7,965,418	24,106,681	(494,752)	23,611,929	0.0%
	Subtotal Service Provider (PNMI) Tax		52,813,592	9,997,971	62,811,563	(3,093,717)	59,717,846	0.0%	52,813,592	9,997,971	62,811,563	(3,093,717)	59,717,846	0.0%
			220,822,948	11,568,753	232,391,701	(1,327,411)	231,064,290	0.0%	220,822,948	11,568,753	232,391,701	(1,327,411)	231,064,290	0.0%
	Nursing Home Tax		38,127,461	3,597,782	41,725,243	1,418,907	43,144,150	0.0%	38,127,461	3,597,782	41,725,243	1,418,907	43,144,150	0.0%
	RTF's Tax		2,175,357	(2,027,000)	148,357	347,399	495,756	0.0%	2,175,357	(2,027,000)	148,357	347,399	495,756	0.0%
	Hospital Tax		127,706,538	-	127,706,538	-	127,706,538	0.0%	127,706,538	-	127,706,538	-	127,706,538	0.0%
	Service Provider (PNMI) Tax		52,813,592	9,997,971	62,811,563	(3,093,717)	59,717,846	0.0%	52,813,592	9,997,971	62,811,563	(3,093,717)	59,717,846	0.0%
			220,822,948	11,568,753	232,391,701	(1,327,411)	231,064,290	0.0%	220,822,948	11,568,753	232,391,701	(1,327,411)	231,064,290	0.0%