



125th MAINE LEGISLATURE

LD 577

LR 1238(01)

An Act To Limit Taxes on Hospitals

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Saviello of Franklin

Committee: Taxation

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Potential current biennium revenue decrease - Other Special Revenue Funds
Minor cost increase - General Fund

Fiscal Detail and Notes

The \$81,386,215 annual limit established in the bill is consistent with current revenue assumptions established in December 2010 by the Revenue Forecasting Committee. Therefore, no immediate reduction in revenue would result. However, a fiscal impact would result if the Revenue Forecasting Committee estimate for this revenue source is increased prior to the effective date of this bill. The timing and impact of such a change cannot be determined at this time. Any administrative costs associated with placing an upper limit on the tax on hospitals annually beginning in 2012 can be absorbed by Maine Revenue Services within existing budgeted resources.