



127th MAINE LEGISLATURE

LD 1383

LR 991(02)

An Act To Attract Young People to Maine by Expanding the Job Creation Through Educational Opportunity Program

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
Net Cost (Savings)				
General Fund	\$0	\$325,452	\$3,591,782	\$7,106,782
Appropriations/Allocations				
General Fund	\$0	\$40,452	\$76,782	\$76,782
Revenue				
General Fund	\$0	(\$285,000)	(\$3,515,000)	(\$7,030,000)
Other Special Revenue Funds	\$0	(\$15,000)	(\$185,000)	(\$370,000)

Fiscal Detail and Notes

This bill expands eligibility for the educational opportunity tax credit to persons graduating from non-Maine colleges, to cover graduate degrees and to permit coverage of refinanced or consolidated loans. It would result in a loss of General Fund revenue of \$285,000 in fiscal year 2016-17 and a loss of Local Government Fund revenue of \$15,000 in fiscal year 2016-17. The revenue loss will increase significantly for a period of approximately 15 years after fiscal year 2018-19 as new graduates become eligible, loan repayment deferments end and taxpayers exhaust credit carryforwards. The bill includes General Fund appropriations to the Bureau of Maine Revenue Services of \$40,452 in fiscal year 2016-17 and \$76,782 annually thereafter for one Tax Examiner position and related costs to review and process additional claims for the tax credit.