



129th MAINE LEGISLATURE

LD 1698

LR 1741(08)

An Act To Create Jobs and Slow Climate Change by Promoting the Production of Natural Resources Bioproducts

Fiscal Note for Bill as Engrossed with:

C "A" (H-552)

H "A" (H-731) to C "A" (H-552)

Committee: Taxation

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	\$0	\$0	\$0	\$33,844
Revenue				
General Fund	\$0	\$0	\$0	(\$33,844)
Other Special Revenue Funds	\$0	\$0	\$0	(\$1,781)

Fiscal Detail and Notes

The bill provides an income tax credit for the production of renewable chemicals by the conversion of renewable biomass from the forest, farms, the sea or solid waste. 75% of the employees of the contractors hired or retained must meet the applicable eligibility requirements. It would result in a reduction in General Fund revenue of \$33,844 in fiscal year 2022-23 and a reduction in Local Government Fund revenue of \$1,781 in fiscal year 2022-23. The reduction in revenue is expected to increase significantly in subsequent years.

Depending on the number of companies that take advantage of the income tax credit, the Department of Economic and Community Development may require additional staff to implement the requirements associated with the tiered tax credit. If necessary, the department will submit the request for a position to the 130th Legislature during the second regular session.