



131st MAINE LEGISLATURE

LD 7

LR 122(02)

An Act to Update References to the United States Internal Revenue Code of 1986 Contained in the Maine Revised Statutes

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Net Cost (Savings)				
General Fund	(\$35,150)	(\$182,400)	\$47,250,150	\$299,063,800
Revenue				
General Fund	\$35,150	\$182,400	(\$47,250,150)	(\$299,063,800)
Other Special Revenue Funds	\$1,850	\$9,600	(\$2,486,850)	(\$15,740,200)

Fiscal Detail and Notes

This bill provides conformity with certain federal tax legislation enacted through December 31, 2022. It will result in an increase in General Fund revenue of \$35,150 in fiscal year 2023-24 and \$182,400 in fiscal year 2024-25. It will also result in an increase in Local Government Fund revenue of \$1,850 in fiscal year 2023-24 and \$9,600 in fiscal year 2024-25.

Of greater impact are the changes to maintain the Maine standard deduction and the Maine dependent exemption tax credit at current levels for tax years 2026 and later. Under current law, the Maine standard deduction and the Maine dependent exemption tax credit will decrease in conjunction with the expiration of certain provisions of the 2017 federal Tax Cuts and Jobs Act at the end of tax year 2025. This will reduce individual income tax revenue to the General Fund beginning in fiscal year 2025-26.