

An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Year Ending June 30, 2020

Consolidated Appropriations Act, 2021 /1	2021	2022	2023	2024	2025
(1) Forgiveness of PPP loans and allowance of related deductions (\$1M Exemption of forgiven loan amount)	(\$75,000,000)	(\$7,000,000)	\$0	\$0	\$0
(2) Forgiveness of EIDL Loans	(\$2,300,000)	\$0	\$0	\$0	\$0
(3) Medical expense deduction - Permanent extension of medical expense deduction for expenses in excess of 7.5 percent of adjusted gross income	\$0	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)
(4) Employer credit for paid family and medical leave	\$0	(\$75,000)	(\$75,000)	(\$75,000)	(\$75,000)
(5) Employer payments of student loans - Extends CARES Act exclusion from income for certain employer payments of student loans	\$0	(\$750,000)	(\$750,000)	(\$750,000)	(\$750,000)
(6) Depreciation of residential rental property - 30-year depreciation period for residential rental property held by an electing real property trade or business	(\$655,000)	(\$540,000)	(\$205,000)	(\$130,000)	(\$125,000)
(7) Full deduction for business meals - Temporarily allows a full deduction, as opposed to a 50% deduction, for business meals	(\$500,000)	\$0	\$0	\$0	\$0
(8) EITC and CTC - Taxpayers may elect to substitute the earned income for the preceding tax year in determining the refundable Child Tax Credit and Earned Income Tax Credit	(\$1,500,000)	\$0	\$0	\$0	\$0
(9) Charitable contribution above-the-line deduction - Extends and expands CARES Act deduction - Up to \$600 (\$300) in charitable contributions made in 2021 would be tax deductible, above the line, if the contributor does not itemize	\$0	(\$3,930,000)	\$0	\$0	\$0
(10) Charitable contribution limits - Extends CARES Act increased deduction limitation for charitable contributions through 2021	\$0	(\$300,000)	\$230,000	\$0	\$0
SUBTOTAL	(\$79,955,000)	(\$13,595,000)	(\$1,800,000)	(\$1,955,000)	(\$1,950,000)
1/ Minor Conformity Items from the Consolidated Appropriations Act, 2021: Educator expense tax deduction, emergency financial aid grants, farming losses, energy efficient commercial buildings deduction, first responder benefits, look-through treatment of payments between related CFCs, discharge of qualified principal residence indebtedness, extension of special depreciation and expensing provisions, extension of certain empowerment zone tax incentives, mortgage insurance premiums, low-income housing tax credit, minimum rate of interest for certain determinations related to life insurance contracts, temporary special rules for health and dependent care flexible spending arrangements, special disaster-related rules for use of retirement funds, employee retention credit for employers affected by qualified disasters, special rules for qualified disaster relief contributions, and special rules for qualified disaster-related personal casualty losses.					
Cares and Families First Acts; FDII					
(11) Qualified improvement property - "Technical" correction to federal TCJA error – qualified improvement property will be depreciable over 15 years rather than 39 years, qualifying it for bonus depreciation	(\$1,300,000)	(\$2,300,000)	(\$3,300,000)	(\$3,300,000)	(\$3,300,000)
(12) Charitable contribution limits - deduction limitations for charitable contributions are increased for 2020	(\$300,000)	\$150,000	\$45,000	\$20,000	\$5,000
(13) Charitable contribution above-the-line deduction - Up to \$300 in charitable contributions made in 2020 would be tax deductible, above the line, if the contributor does not itemize	(\$2,750,000)	\$0	\$0	\$0	\$0
(14) Qualified retirement accounts - Various changes regarding early distributions, recontributions, and loans	(\$1,800,000)	(\$300,000)	\$0	\$0	\$0
(15) Exclusion of employer student loan payments	(\$650,000)	\$0	\$0	\$0	\$0
(16) Expansion of HSA/FSA qualified expenses	(\$420,000)	(\$645,000)	(\$730,000)	(\$780,000)	(\$815,000)
(17) Foreign-derived intangible income (FDII) deduction	\$8,590,000	\$10,050,000	\$11,050,000	\$12,000,000	\$12,500,000
SUBTOTAL	\$1,370,000	\$6,955,000	\$7,065,000	\$7,940,000	\$8,390,000
TOTAL	(\$78,585,000)	(\$6,640,000)	\$5,265,000	\$5,985,000	\$6,440,000
General Fund	(\$75,638,063)	(\$6,308,000)	\$5,001,750	\$5,685,750	\$6,118,000
Local Government Fund	(\$2,946,938)	(\$332,000)	\$263,250	\$299,250	\$322,000
Part I - Other Tax Items					
(18) Temporarily expands the Maine credit for taxes paid to another jurisdiction	<i>Addressed in December 1, 2020 Revenue Forecasting Committee Forecast</i>				
(19) Relaxes the work in Maine requirement of the educational opportunity tax credit	<i>Negligible revenue impact</i>				
Revenue Estimates for Provisions Not Included in Conformity Bill					
(20) Forgiveness of PPP loans and allowance of related deductions (Full Conformity - Additional Revenue Reduction)	(\$12,000,000)	(\$1,000,000)	\$0	\$0	\$0
(21) Full deduction for business meals, 2021 - 2022	\$0	(\$2,900,000)	(\$2,170,000)	(\$450,000)	\$0
(22) Increase charitable contribution limits (tax year 2019 only)	(\$150,000)	\$0	\$0	\$0	\$0
(23) Repeal limit on non-corporate losses, 2018-20	(\$12,000,000)	\$100,000	\$50,000	\$250,000	\$10,000
(24) Increase interest deduction cap to 50% of income, 2019 & 2020	(\$8,000,000)	(\$1,250,000)	(\$400,000)	(\$200,000)	(\$100,000)
Total	(\$32,150,000)	(\$5,050,000)	(\$2,520,000)	(\$400,000)	(\$90,000)
General Fund	(\$30,944,375)	(\$4,797,500)	(\$2,394,000)	(\$380,000)	(\$85,500)
Local Government Fund	(\$1,205,625)	(\$252,500)	(\$126,000)	(\$20,000)	(\$4,500)