

TAXATION COMMITTEE

jsj 4-1-21

130th LEGISLATURE

1st REG SESSION

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT ¹	
								FY22	FY23
23	175	3/24		Pouliot	An Act To Reinstate and Increase the Income Tax Deduction for Contributions to Education Savings Plans	<p>This bill</p> <ol style="list-style-type: none"> reinstates the income tax deduction for contributions to Section 529 education savings plans and increases the maximum amount allowed to \$1,000 per designated beneficiary. <p>Begins 1/1/21 tax years.</p> <p>A deduction up to \$250 was in effect from 2007 to 2015.</p> <p>Similar bill LD 71 in 129th Legislature. Died on Appropriations Table at end of 129th.</p> <p><u>FAME recommends</u> changing application date to 1/1/22 tax years.</p>		<p>MRS preliminary estimate fiscal impact</p> <p>Admin costs: \$33,000</p> <p>Revenue impact \$1 million/year</p>	
80	88	2/9	2/18	McCrea	An Act To Provide Critical Communications for Family Farms, Businesses and Residences by Strategic Public Investment in High-speed Internet and broadband Infrastructure (Emergency)	<p>This <u>emergency</u> bill requires:</p> <ol style="list-style-type: none"> Beginning with sales occurring on or after 6/1/21 33% of sales and use tax revenue collected by the State Tax Assessor from marketplace facilitators, with respect to marketplace-facilitated sales, after required transfers to other funds, be transferred monthly to the ConnectMaine Authority Must be used to further deployment of high-speed Internet and broadband infrastructure to unserved and underserved areas of the State. Takes effect when approved. <p>Questions raised at PH:</p> <ol style="list-style-type: none"> Can Maine expect federal \$\$ to support broadband? Is there \$\$ in biennial budget for broadband? Is there federal COVID \$\$ for broadband? 	tabled	<p>MRS preliminary estimate of revenue transfer \$15 to \$20 million per fiscal year beginning in FY 22</p> <p>MRS indicates additional administrative expenses to identify "facilitated sales"</p>	

¹ . Numbers may represent preliminary estimates and are subject to change. For more detail, please see fiscal note documents in LD file.

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179	30	2/23		Kessler	An Act To Exclude Energy Efficiency Improvements from Property Tax	<p>This bill:</p> <ol style="list-style-type: none"> 1. Provides property tax exemptions for energy efficiency improvements and 2. Requires the Efficiency Maine Trust (EMT) to identify and make available and list such improvements. 3. "Energy efficiency improvements" are improvements that <ol style="list-style-type: none"> A. meet or exceed federal "Energy Star" standards or similar EMT standards; or B. Involve weatherization in a manner approved by EMT <p><u>Issues raised at public hearing:</u></p> <ul style="list-style-type: none"> • Meaning of "energy efficiency Improvements" • Role of Efficiency Maine Trust • Impact on local revenue 	Tabled	MRS estimate Admin costs: 2 positions \$190,000 to \$210,000	MRS estimate Admin costs: 2 positions \$190,000 to \$210,000
308	849	3/24		Stewart	An Act To Promote Research and Development in the State by Increasing and Marketing the Research Expense Tax Credit	<p>This bill <u>increases the research expense tax credit</u> by:</p> <ol style="list-style-type: none"> 1. <u>doubling the expenditures eligible</u> for the credit from 5% to 10% for expenditures over the federal base amount and from 7.5% to 15% of the federal basic research payments base amount and 2. <u>doubling the maximum amount of the credit</u> that may be claimed from \$25,000 to \$50,000. <p>The bill also <u>provides ongoing funds</u> of \$100,000 per year beginning in fiscal year 2021-22 <u>to DECD to advertise and market</u> the research expense tax <u>credit</u>.</p> <p>DECD requests that funding be allowed to market other credits.</p>			

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731	342	3/24		Stewart	An Act To Establish a Program To Assist Regional Firefighter Training Programs, To Provide Tax Credits to Businesses That Employ Volunteer Firefighters and Emergency Medical Services Persons and To Provide Benefits to Volunteer Firefighters and Emergency Medical Services Persons	<p>This bill:</p> <ol style="list-style-type: none"> 1. <u>Establishes a program</u> administered by the Maine Fire Protection Services Commission to provide grants to municipalities for regional fire service training. Appropriates \$1,000,000 per year. 2. Provides an <u>income tax credit for employers</u> who permit employees who are volunteer firefighters or volunteer municipal EMS persons to be absent from work for firefighting or EMS response activities without a reduction in pay and 3. Allows a municipality to provide benefits to residents of the municipality who are volunteer firefighters or volunteer municipal EMS persons. <p><u>Sponsor proposed amendment:</u></p> <ol style="list-style-type: none"> 1. Reduce appropriation to \$200,000 2. Delete Sec. 6, (municipal volunteer benefit) 			