

## 1A. Proposed Adjustments to Review Category Assignments

Note: OPEGA reviewed the document "Enacted Tax Legislation - 2021 Session" prepared by the Maine Revenue Services to catalogue new, repealed or modified tax expenditures from statutory changes in 2021. The statutory changes that create or repeal tax expenditures are listed below. There were no modifications that indicate changes to the review category of any existing tax expenditures.

| Expenditure Program Name  | Brief Description   | Tax policy goal                        | FY22 Revenue Loss Estimate | FY23 Revenue Loss Estimate            | Statutory Cite:             | Proposed adjustment   |
|---|---|--|----------------------------|---------------------------------------|-----------------------------|---|
| <b>Recommended changes to Category A - Full Evaluation by OPEGA</b>               |   |  |                            |                                       |                             |   |
| Income tax credit for paper manufacturing facility investment                     | Refundable income tax credit may be claimed by a paper manufacturer certified by DECD as a qualified applicant. Credit is 4% of applicant's investment.                           | Business Incentive - Targeted Industry | \$0                        | \$0<br>FY24 \$793,000<br>FY25 \$1.52M | 36 MRS 5219-YY              | Enacted by PL 2021, c. 482 & 485 .<br><b>Proposal:</b> add to Category A.             |
| <b>Recommended changes to Category B - Expedited Review by Taxation Committee</b> |   |  |                            |                                       |                             |   |
| Net operating loss subtraction modification                                       | Repealed net operating loss subtraction modification.   | Conformity with IRC                    | unknown                    | unknown                               | 36 MRS 5122(1)(LL) and (TT) | Repealed by PL 2021, c. 1 pt H, s1, 2, 5.<br><b>Proposal:</b> remove from Category B. |
| <b>Recommended changes to Category C - No Review</b>                              |   |  |                            |                                       |                             |   |
| Sales tax exemption for menstrual products  | Beginning October 1, 2021, sales of menstrual products will be exempt from sales tax.   | Necessity of Life                      | unknown                    | unknown                               | 36 MRS 1760(107)            | Enacted by PL 2021, c 398, Pt H, s2.<br><b>Proposal:</b> add to Category C.           |
| Sales tax exemption for area agencies on aging                                    | Beginning January 1, 2022, sales to designated area agencies (or other identified agencies) will be exempt from the sales tax.  | Charitable                             | \$25,650                   | \$62,700                              | 36 MRS 1760(107)            | Enacted by PL 2021, c. 399, s1<br><b>Proposal:</b> add to Category C.                 |
| Sales tax exemption for nonprofit cemeteries                                      | Beginning January 1, 2022, sales to a cemetery company that is exempt from federal income tax will be exempt from the sales tax.  | Charitable                             | \$2,375                    | \$5,700                               | 36 MRS 1760(107)            | Enacted by PL 2021, c. 416, s1<br><b>Proposal:</b> add to Category C.                 |
| Sales tax exemption for certain educational collaboratives                        | Beginning January 1, 2022, sales to an incorporated nonprofit collaborative whose members are regional school units (and meets other criteria) will be exempt from the sales tax. | Charitable                             | \$1,900                    | \$3,800                               | 36 MRS 1760(107)            | Enacted by PL 2021, c. 417 s1<br><b>Proposal:</b> add to Category C.                  |
| Sales tax exemption for firearm safety devices                                    | Beginning January 1, 2022, sales of a safe, lockbox, trigger lock or barrel lock that is specifically designed for securing firearms will be exempt from the sales tax.           | Specific Policy Goal/Mandate           | \$42,350                   | \$85,662                              | 36 MRS 1760(107)            | Enacted by PL 2021, c. 440 s1<br><b>Proposal:</b> add to Category C.                  |
| Access to justice income tax credit   | Enacted to encourage attorneys to practice law in underserved areas of Maine. Up to five eligible attorneys each year from 2022-2027 may be certified.                            | Specific Policy Goal/Mandate           | \$0                        | \$24,062                              | 36 MRS 5219-YY              | Enacted by PL 2021, c. 473<br><b>Proposal:</b> add to Category C.                     |

**Sources:** Fiscal Notes of the enacted laws

## 1B. Proposed Schedule - Remaining Business Incentives for Full Evaluation

| Proposed Order | Expenditure Program Name   | Brief Description  | FY22 Revenue Loss Estimate | FY23 Revenue Loss Estimate            | Enactment | Sunset    |
|----------------|--|--|----------------------------|---------------------------------------|-----------|-----------|
| 1              | <b>Deduction for Contributions to Capital Construction Funds for Maintenance or Replacement of Fishing Vessels</b> | Deduction for contributions to a capital construction fund for maintenance or replacement of fishing vessels.  | \$520,000                  | \$520,000                             | 1996      | no sunset |
| 2              | <b>Tax Benefits for Media Production Companies</b>   | Tax credit (5% of nonwage production expenses, if >\$75,000) and reimbursement (12% of production wages) for certified productions of visual media production companies.   | \$150,000                  | \$150,000                             | 2006      | no sunset |
| 3              | <b>Shipbuilding Facility Credit</b>  | Nonrefundable income tax credit for 15 years (from tax years beginning on or after January 1, 2020) for major investments in a shipbuilding facility when criteria are met. <b><i>Requires the credit to be reviewed by 2024 by OPEGA.</i></b> | \$2,850,000                | \$2,850,000                           | 2018      | 2034      |
| 4              | <b>Major Business Headquarters Expansion</b>   | Refundable credit of 2% of taxpayer's investment for a major business that expands or locates its headquarters in Maine and hires the required number of new employees.  | \$0                        | \$760,000                             | 2017      | *         |
| 5              | <b>Major Food Processing &amp; Manufacturing Facilities Expansion Credit</b>                                       | Refundable income tax credit for construction or expansion of a qualifying food processing and manufacturing facility in Maine. Credit amount is equal to 1.8% of the taxpayer's qualified investment.   | \$0                        | \$1,111,500                           | 2019      | 2024      |
| 6              | <b>Income tax credit for paper manufacturing facility investment (NEW)</b>   | Refundable income tax credit may be claimed by a paper manufacturer certified by DECD as a qualified applicant. Credit is 4% of applicant's investment.  | \$0                        | \$0<br>FY24 \$793,000<br>FY25 \$1.52M | 2021      | **        |

\*To qualify, investment must be made by 12/31/22; credits may be claimed for 20 years

\*\*To qualify, investment must be made by 12/31/23

## 2. Full Evaluation by OPEGA (Category A)

| ID #               | Policy Group                                  | Expenditure Program Name  | Brief Description  | Tax Type | Expenditure Type | FY22 Revenue Loss Estimate | FY23 Revenue Loss Estimate            | Statutory Cite                           | Enactment | Sunset   |
|--------------------|---|---|--|----------|------------------|----------------------------|---------------------------------------|--|-----------|--|
| <b>IN PROGRESS</b> |   |   |  |          |                  |                            |                                       |  |           |  |
| 3                  | <b>Business Incentive-Research Investment</b> | Research Expense Tax Credit (Progress: In fieldwork)  | Tax credit for qualified research expenses associated with certain technological and experimental research, with limitations. 15 year carry forward.   | Income   | Credit           | \$1,650,000                | \$2,180,000                           | 36 MRS §5219-K                           | 1995      | no sunset  |
| <b>FUTURE</b>      |   |   |  |          |                  |                            |                                       |  |           |  |
| 14                 | <b>Business Incentive Targeted Industry</b>   | Deduction for Contributions to Capital Construction Funds for Maintenance or Replacement of Fishing Vessels | Deduction for contributions to a capital construction fund for maintenance or replacement of fishing vessels.  | Income   | Deduction        | \$520,000                  | \$520,000                             | 36 MRS §5122.2.I                         | 1996      | no sunset  |
| 5                  | <b>Business Incentive Targeted Industry</b>   | Tax Benefits for Media Production Companies   | Tax credit (5% of nonwage production expenses, if >\$75,000) and reimbursement (12% of production wages) for certified productions of visual media production companies.   | Income   | Credit           | \$150,000                  | \$150,000                             | 36 MRS §5219-Y, 6902                     | 2006      | no sunset  |
| 171                | <b>Business Incentive Targeted Industry</b>   | Shipbuilding Facility Credit  | Nonrefundable income tax credit for 15 years (from tax years beginning on or after January 1, 2020) for major investments in a shipbuilding facility when criteria are met. Requires the credit to be reviewed by 2024 by OPEGA.         | Income   | Deduction        | \$2,850,000                | \$2,850,000                           | 36 MRS §5219-RR (previously 36 MRS §919) | 2018      | 2034   |
| 7*                 | <b>Business Incentive</b>                     | Major Business Headquarters Expansion   | Refundable credit of 2% of taxpayer's investment for a major business that expands or locates its headquarters in Maine and hires the required number of new employees.  | Income   | Credit           | \$0                        | \$760,000                             | §5219-QQ                                 | 2017      | To qualify, investment must be made by 12/31/22; credits may be claimed for 20 years |
| 185                | <b>Business Incentive Targeted Industry</b>   | Major Food Processing & Manufacturing Facilities Expansion Credit   | Refundable income tax credit for construction or expansion of a qualifying food processing and manufacturing facility in Maine. Credit amount is equal to 1.8% of the taxpayer's qualified investment.                                   | Income   | Credit           | \$0                        | \$1,111,500                           | 36 MRS §5219-VV                          | 2019      | 2024   |
| 193                | <b>Business Incentive Targeted Industry</b>   | <b>Income tax credit for paper manufacturing facility investment (NEW)</b>                                  | <b>Refundable income tax credit may be claimed by a paper manufacturer certified by DECD as a qualified applicant. Credit is 4% of applicant's investment.</b>   | Income   | Credit           | \$0                        | \$0<br>FY24 \$793,000<br>FY25 \$1.52M | 36 MRS 5219-YY                           | 2021      | To qualify, investment must be made by 12/31/23                                      |
| 16                 | <b>Non-Business Incentives (Various)</b>      | Credit for Educational Opportunity  | Tax credit for certain educational loan payments made by participants in the Job Creation Through Educational Opportunity Program and their employers; participants must be residents who remain in Maine after obtaining a degree here. | Income   | Credit           | \$41,500,000               | \$47,900,000                          | 36 MRS §5217-D                           | 2007      | no sunset  |

## 2. Full Evaluation by OPEGA (Category A)

| ID # | Policy Group                                | Expenditure Program Name   | Brief Description   | Tax Type    | Expenditure Type | FY22 Revenue Loss Estimate | FY23 Revenue Loss Estimate | Statutory Cite                   | Enactment | Sunset                              |
|------|---|--|---|-------------|------------------|----------------------------|----------------------------|----------------------------------|-----------|-------------------------------------|
| 172  | <b>Non-Business Incentives</b><br>(Various) | Employer credit for family and medical leave   | Tax credit (for tax years beginning in 2018 and 2019) under the income tax and insurance premium tax equal to the federal credit for employer-paid family and medical leave. The credit is nonrefundable.   | Income      | Credit           | \$40,000                   | \$0                        |                                  | 2018      | 2025 (due to federal credit sunset) |
| 19   | <b>Non-Business Incentives</b><br>(Various) | Deduction for Interest and Dividends on Maine State and Local Securities - Individual Income Tax     | Individual income tax deduction for interest or dividends on securities issued by the State and its political subdivisions.   | Income      | Deduction        | \$45,000                   | \$40,000                   | 36 MRS §5122.2.N                 | 2001      | none                                |
| 20   | <b>Non-Business Incentives</b><br>(Various) | Deduction for Interest and Dividends on U.S., Maine State and Local Securities- Corporate Income Tax | Corporate income tax deduction for interest or dividends on securities issued by the State and its political subdivisions.  | Income      | Deduction        | \$20,000 - \$100,000       | \$20,000 - \$100,000       | 36 MRS §5200-A.2.A & §5200-A.2.K | 2000      | none                                |
| 18   | <b>Non-Business Incentives</b><br>(Various) | Earned Income Credit   | Tax credit equal a percentage of the federal earned income tax credit (EITC) received that year; EITC is a credit for individuals who have earned income under a certain limit.<br>Note: The estimate is net of the transfer of TANF funds that partially offsets the General Fund loss. Without this transfer, the General Fund revenue loss would be approximately \$24.7 million in FY22 and FY23. | Income      | Credit           | \$16,630,000               | \$16,630,000               | 36 MRS §5219-S                   | 2000      | none                                |
| 37   | <b>Tax Relief</b><br>Individuals            | Additional Standard Deduction for the Blind and Elderly  | Additional \$1,550 standard deduction if single, or \$1,250 if married available to taxpayers who are blind beginning in tax year 2016.   | Income      | Deduction        | \$10,400,000               | \$10,900,000               | 36 MRS §5124-C                   | N/A       | N/A                                 |
| 29   | <b>Tax Relief</b><br>Individuals            | Income Tax Credit for Child & Dependent Care Expense   | Tax credit for child and dependent care expenses in the amount of 25% of the federal tax credit; the credit doubles for expenses incurred for quality child care services. Max of \$500.  | Income      | Credit           | \$4,150,000                | \$4,150,000                | 36 MRS §5218                     | 2001      | no sunset                           |
| 30   | <b>Tax Relief</b><br>Individuals            | Deduction for Pension Income & IRA Distributions   | Deduction for pension benefits received under employee retirement plans and taxable distributions from individual retirement accounts, up to \$10,000.  | Income      | Deduction        | \$31,200,000               | \$31,600,000               | 36 MRS §5122.2.M                 | N/A       | N/A                                 |
| 31   | <b>Tax Relief</b><br>Individuals            | Deduction for Social Security Benefits Taxable at Federal Level                                      | Deduction for social security benefits and railroad retirement benefits.  | Income      | Deduction        | \$110,200,000              | \$119,600,000              | 36 MRS §5122.2.C                 | N/A       | N/A                                 |
| 32   | <b>Tax Relief</b><br>Individuals            | Property Tax Fairness Credit   | Property tax credit for Maine residents based on a formula, not to exceed \$600 for those under 65 years of age, or \$900 for those over 65, with income limitations.   | Property    | Credit           | \$35,350,000               | \$35,350,000               | 36 MRS §5219-KK                  | 2014      | no sunset                           |
| 27   | <b>Tax Relief</b><br>Individuals            | Sales Tax Fairness Credit  | Tax credit to provide sales tax relief to low and middle income families.   | Income      | Credit           | \$23,800,000               | \$23,500,000               | 36 MRS §5213-A & §5403.5         | 2015      | no sunset                           |
| 33   | <b>Tax Relief</b><br>Targeted Industry      | Railroad Track Materials   | Tax exemption on sales of railroad track materials for installation on railroad lines within the State.   | Sales & Use | Exemption        | \$670,000                  | \$680,000                  | 36 MRS §1760.52                  | 1986      | no sunset                           |
| 34   | <b>Tax Relief</b><br>Targeted Industry      | Refund of Sales Tax on Purchases of Parts and Supplies for Windjammers                               | Refund of sales tax paid on purchases of parts and supplies for use for operation, repair or maintenance of a windjammer providing commercial cruises.  | Sales & Use | Refund           | \$50,000 - \$249,999       | \$50,000 - \$249,999       | 36 MRS §2020                     | 2011      | no sunset                           |

## 2. Full Evaluation by OPEGA (Category A)

| ID # | Policy Group                        | Expenditure Program Name  | Brief Description  | Tax Type         | Expenditure Type | FY22 Revenue Loss Estimate | FY23 Revenue Loss Estimate | Statutory Cite             | Enactment | Sunset    |
|------|-------------------------------------|---|--|------------------|------------------|----------------------------|----------------------------|----------------------------|-----------|-----------|
| 36   | <b>Tax Relief Targeted Industry</b> | Certain Telecommunications Services                             | Tax exemption on sales of interstate and international telecommunications services.  | Service Provider | Exemption        | \$1,000,000 - \$2,999,999  | \$1,000,000 - \$2,999,999  | 36 MRS §2557.33 & 2557.34  | 2015      | no sunset |
| 189  | <b>Specific Policy Goal/Mandate</b> | Credit for Affordable Housing                                   | Taxpayer receiving a tax credit certificate from MSHA for an affordable housing project located in Maine, may claim a refundable tax credit for that taxable year. Credit is equal to either (1) the total federal low-income housing tax credit claimed under IRC section 42 using entire federal credit period for all buildings in a qualified Maine project, or (2) an amount equal to the lesser of \$500,000 or 50% of the qualified basis of an affordable housing project that incurs at least \$100K includable in eligible basis in construction or rehabilitation of an affordable housing project for which IRC section 42 is not claimed. | Income           | Credit           | \$8,645,000                | \$9,500,000                | 36 MRS §5219-WW            | 2020      | 2028      |
| 154  | <b>Specific Policy Goal/Mandate</b> | Partial Cigarette Stamp Tax Exemption for Licensed Distributors | Allows licensed cigarette distributors to purchase cigarette stamps with a face value of \$2 at a discount of 1.15%. (General Fund)  | Other            | Exemption        | \$1,347,621                | \$1,320,665                | 36 MRS §4366-A.2           | 2005      | no sunset |
| 155  | <b>Specific Policy Goal/Mandate</b> | Air & Water Pollution Control Facilities                        | Tax exemption on sales of certified air and water pollution control facilities and parts or accessories, construction materials, and chemicals or supplies of these facilities.  | Sales & Use      | Exemption        | \$500,000 - \$1,999,998    | \$500,000 - \$1,999,998    | 36 MRS §1760.29 & §1760.30 | 1969      | no sunset |
| 165  | <b>Administrative Burden</b>        | Sales Through Coin Operated Vending Machines                    | Tax exemption on sales of certain products through vending machines by retailers who make the majority of their sales via vending machines.  | Sales & Use      | Exemption        | \$1,000,000                | \$1,000,000                | 36 MRS §1760.34            | 1981      | no sunset |

\*Limited scope review of the Major Business Headquarters Expansion following enactment of the program to assess the design of the program. Full evaluation of the program is still pending

## 2. Full Evaluation by OPEGA (Category A)

| ID #                         | Policy Group                                      | Expenditure Program Name  | Brief Description  | Tax Type            | Expenditure Type                 | FY22 Revenue Loss Estimate | FY23 Revenue Loss Estimate | Statutory Cite               | Report Year |
|------------------------------|---|---|--|---------------------|----------------------------------|----------------------------|----------------------------|------------------------------|-------------|
| <b>COMPLETED EVALUATIONS</b> |   |   |  |                     |                                  |                            |                            |                              |             |
| 3                            | <b>Business Incentive</b><br>Financial Incentives | New Markets Capital Investment Credit                                       | Tax credits of up to 39% of a project's total cost for qualified equity investments in low-income community businesses made via a community development entity, with limitations.  | Income              | Credit                           | \$4,306,000                | \$3,667,000                | §5219-HH                     | 2017        |
| 4                            | <b>Business Incentive</b><br>Job Creation         | Pine Tree Development Zones   | Reimbursement of sales & use taxes on certain tangible personal property; exemption from sales taxes on tangible personal property and electricity; and credits for qualified businesses that expand or begin operations in the State (100% of Maine income tax liability is waived for the first 5 years, and 50% for years 6 to 10). | Sales & Use, Income | Credit, Exemption, Reimbursement | \$1,660,000                | \$1,700,000                | §2016<br>§1760.87<br>§5219-W | 2017; 2020* |
| 9                            | <b>Business Incentive</b><br>Job Creation         | Employment Tax Increment Financing  | Reimbursement to certain businesses of income tax attributed to qualified employees (those receiving a designated level of wages, health and retirement benefits), subject to limitations including unemployment rates in the area.  | Income              | Reimbursement                    | \$10,400,000               | \$10,650,000               | Chapter 917                  | 2019        |
| 11                           | <b>Business Incentive</b><br>Equip Investment     | Reimbursement For Business Equipment Tax Exemption to Municipalities (BETE) | Reimbursement to municipalities of revenue losses, with limitations, due to the property tax exemption for qualified business equipment.   | Property            | Reimbursement                    | \$57,050,000               | \$61,900,000               | Chapter 105, subc. 4-C       | 2020        |
| 12                           | <b>Business Incentive</b><br>Equip Investment     | Reimbursement for Taxes Paid on Certain Business Property (BETR)            | Reimbursement of property tax paid on qualified business property, with limitations.   | Property            | Reimbursement                    | \$20,200,000               | \$18,900,000               | Chapter 915                  | 2020        |
|                              | <b>Conformity with IRC</b>                        | Maine Capital Investment Credit   | Tax credit for depreciable property placed in service in Maine.  | Income              | Credit                           | \$4,250,000                | \$5,000,000                | §5219-NN                     | 2020        |
| 6                            | <b>Business Incentive</b><br>Financial Investment | Maine Seed Capital Tax Credit   | Tax credit of up to 50% for capital investment in eligible businesses (including manufacturing, value-added natural resource enterprises, export businesses, advanced technology, and visual media production), with limitations.  | Income              | Credit                           | \$6,900,000                | \$8,400,000                | §5216-B                      | 2021        |
| 8                            | <b>Business Incentive</b><br>Targeted Industry    | Maine Historic Rehabilitation Tax Credit                                    | Income tax credit for expenditures in rehabilitation of certified historic properties, with limitations. Tied to federal credit.   | Income              | Credit                           | \$8,950,000                | \$9,200,000                | §5219-BB                     | 2021        |

\*Limited scope review following after the full evaluation of the PTZ program

### 3. Expedited Review by Tax Committee (Category B)

| ID # | Status         | Expenditure Program Name   | Brief Description  | Tax policy goal/rationale   | FY22 Revenue Loss Estimate*   | FY23 Revenue Loss Estimate*     | Statutory Cite: Title 36 unless otherwise specified |
|------|----------------|--|--|-----------------------------|-------------------------------|---------------------------------|---|
| 11   | Cycle 1 - 2021 | New Machinery for Experimental Research                            | Tax exemption on sales of machinery and equipment for certain research and development activities, and for biotechnology research.   | Inputs to Tangible Products | \$50,000 - \$249,999          | \$50,000 - \$249,999            | \$1760(32)  |
| 93   | Cycle 1 - 2021 | Itemized Deductions  | Maine generally conforms to itemized deductions allowed by the U.S. Internal Revenue Code with some exceptions.  | Conformity with IRC         | \$8,100,000                   | \$8,250,000                     | \$5125  |
| 94   | Cycle 1 - 2021 | Sum of All Other Conformity Provisions                             | Maine generally conforms to exclusions and deduction provisions in the U.S. Internal Revenue Code used to calculate federal adjusted gross income.   | Conformity with IRC         | \$862,850,000 - \$955,900,000 | \$927,450,000 - \$1,020,500,000 | \$5102(1-D), \$5162(2)                              |
| 144  | Cycle 1 - 2021 | Products Used in Agricultural and Aquacultural Production & Bait   | Tax exemption on sales of products used in aquaculture production and bait, commercial agriculture production, and animal agriculture.   | Inputs to Tangible Products | \$9,120,000                   | \$9,210,000                     | \$1760(7-A), \$1760(7-B), \$1760(7-C)               |
| 145  | Cycle 1 - 2021 | Fuel and Electricity Used in Manufacturing                         | Tax exemption on sales of fuel and electricity (95% of value) purchased for use at a manufacturing facility.   | Inputs to Tangible Products | \$17,100,000                  | \$18,050,000                    | \$1760(9-D)   |
| 146  | Cycle 1 - 2021 | Machinery & Equipment  | Tax exemption on sales of machinery and equipment used in production of tangible personal property for consumption, or in generation of radio and television broadcast signals.  | Inputs to Tangible Products | \$33,920,000                  | \$34,590,000                    | \$1760(31)  |
| 147  | Cycle 1 - 2021 | Seedlings for Commercial Forestry Use                              | Tax exemption on sales of tree seedlings used in commercial forestry.  | Inputs to Tangible Products | \$50,000 - \$249,999          | \$50,000 - \$249,999            | \$1760(73)  |
| 148  | Cycle 1 - 2021 | Property Used in Manufacturing Production                          | Tax exemption on sales of tangible personal property that is used in the manufacturing production of tangible personal property for later sale or lease.   | Inputs to Tangible Products | \$201,600,000                 | \$205,600,000                   | \$1760(74)  |
| 149  | Cycle 1 - 2021 | Certain Sales of Electrical Energy                                 | Tax exemption on sale or use of electrical energy, or water stored for generating electricity, to or by a wholly owned subsidiary by or to its parent corporation.   | Inputs to Tangible Products | \$250,000 - \$999,999         | \$250,000 - \$999,999           | \$1760(91)  |
| 150  | Cycle 1 - 2021 | Refund of Sales Tax on Certain Depreciable Machinery and Equipment | Refund of sales tax paid on electricity or depreciable machinery and equipment purchased for use in commercial agricultural or aquaculture production, fishing, or wood harvesting, or purchases of fuel for use in a commercial fishing vessel. | Inputs to Tangible Products | \$15,010,000                  | \$15,900,000                    | \$2013  |
| 162  | Cycle 1 - 2021 | Non-Taxable Services   | Services, other than specifically defined "Taxable Services," are not subject to Sales and Use Tax.  | Non-Taxable Services        | 2.13 billion                  | \$2.19 billion                  | \$1752(11), \$1752(17-B)                            |
| 176  | Cycle 1 - 2021 | Net operating loss subtraction modification                        | Creates a modification that reserves, for Maine tax purposes, the effects of the new federal limitation on the net operating loss deduction.   | Conformity with IRC         | no estimate in MSTER          | no estimate in MSTER            | \$5200-A(2)(BB) reallocated to \$5200-A(2)(GG)      |

### 3. Expedited Review by Tax Committee (Category B)

| ID # | Status                           | Expenditure Program Name  | Brief Description  | Tax policy goal/rationale | FY22 Revenue Loss Estimate* | FY23 Revenue Loss Estimate* | Statutory Cite: Title 36 unless otherwise specified |
|------|----------------------------------|---|--|---------------------------|-----------------------------|-----------------------------|---|
| 177  | Cycle 1 - 2021                   | Global intangible low-taxed income subtraction modification       | Creates a modification in the amount of the global intangible low-taxed income deduction claiming in accordance with federal code.   | Conformity with IRC       | no estimate in MSTER        | no estimate in MSTER        | §5200-A(2)(EE)                                      |
| 115  | Cycle 1 - 2016<br>Cycle 2 - 2022 | Grocery Staples   | Tax exemption on sales of grocery staples, which are defined as food products ordinarily consumed for human nourishment.   | Necessity of Life         | \$194,450,000               | \$200,280,000               | §1760(3)  |
| 116  | Cycle 1 - 2016<br>Cycle 2 - 2022 | Prescription Drugs  | Tax exemption on sales of prescription medicines for humans, excluding marijuana.  | Necessity of Life         | \$110,550,000               | \$114,750,000               | §1760(5)  |
| 117  | Cycle 1 - 2016<br>Cycle 2 - 2022 | Prosthetic or Orthotic Devices                                    | Tax exemption on sales of devices to correct or alleviate physical incapacity for a particular individual, including prosthetic aids, hearing  | Necessity of Life         | \$5,126,000                 | \$5,254,000                 | §1760(5-A)  |
| 118  | Cycle 1 - 2016<br>Cycle 2 - 2022 | Meals Served to Patients in Hospitals & Nursing Homes             | Tax exemption on sales of meals to patients of state-licensed hospitals, nursing homes, and certain care facilities.   | Necessity of Life         | \$10,540,000                | \$10,860,000                | §1760(6)(B)   |
| 119  | Cycle 1 - 2016<br>Cycle 2 - 2022 | Fuels for Cooking & Heating Homes                                 | Tax exemption on sales of coal, oil, wood and other fuels, except gas and electricity, used for cooking and heating in residential buildings.  | Necessity of Life         | \$40,830,000                | \$41,650,000                | §1760(9)  |
| 120  | Cycle 1 - 2016<br>Cycle 2 - 2022 | Certain Residential Electricity                                   | Tax exemption on sale and delivery of: A. the first 750 kWh of residential electricity per month; B. off-peak residential electricity used   | Necessity of Life         | \$27,670,000                | \$28,230,000                | §1760(9-B)  |
| 121  | Cycle 1 - 2016<br>Cycle 2 - 2022 | Gas Used for Cooking & Heating in Residences                      | Tax exemption on sales of gas for use in cooking and heating in residential buildings other than hotels.   | Necessity of Life         | \$11,770,000                | \$12,000,000                | §1760(9-C)  |
| 122  | Cycle 1 - 2016<br>Cycle 2 - 2022 | Rental Charges for Living Quarters in Nursing Homes and Hospitals | Tax exemption on rental charges for living or sleeping quarters in state-licensed nursing homes and hospitals.   | Necessity of Life         | \$250,000 – \$999,999       | \$250,000 – \$999,999       | §1760(18)   |
| 123  | Cycle 1 - 2016<br>Cycle 2 - 2022 | Rental Charges on Continuous Residence for More Than 28 Days      | Tax exemption on rental charges for residence for 28 days or more at a hotel, rooming house, or tourist or trailer camp under certain  | Necessity of Life         | \$95,940,000                | \$98,810,000                | §1760(20)   |
| 124  | Cycle 1 - 2016<br>Cycle 2 - 2022 | Funeral Services  | Tax exemption on sales of funeral services.  | Necessity of Life         | \$7,510,000                 | \$7,660,000                 | §1760(24)   |
| 125  | Cycle 1 - 2016<br>Cycle 2 - 2022 | Diabetic Supplies   | Tax exemption on sales of equipment and supplies used in diabetes diagnosis or treatment.  | Necessity of Life         | \$1,000,000 - \$2,999,999   | \$1,000,000 - \$2,999,999   | §1760(33)   |
| 126  | Cycle 1 - 2016<br>Cycle 2 - 2022 | Water Used in Private Residences                                  | Tax exemption on sales of water used in residential buildings, other than hotels.  | Necessity of Life         | \$13,350,000                | \$13,690,000                | §1760(39)   |
| 127  | Cycle 1 - 2016<br>Cycle 2 - 2022 | Positive Airway Pressure Equipment & Sales                        | Tax exemption on sale or lease of positive airway pressure equipment and supplies for personal use.  | Necessity of Life         | \$250,000 – \$999,999       | \$250,000 – \$999,999       | §1760(94)   |
| 96   | Cycle 1 - 2017<br>Cycle 2 - 2023 | Deduction for Active Duty Military Pay Earned Outside of Maine    | Deduction for military pay earned for service performed outside the State.   | Tax Fairness              | \$910,000                   | \$930,000                   | §5122(2)(LL)  |
| 98   | Cycle 1 - 2017<br>Cycle 2 - 2023 | Exemptions of the Real Estate Transfer Tax                        | Real estate tax exemption for certain types of deeds, including deeds to property transferred to or by governmental entities, and certain transfers of property. (General Fund, H.O.M.E. Fund, Housing and Economic Recovery Fund) | Tax Fairness              | \$20,460,000                | \$21,220,000                | §4641-C   |



### 3. Expedited Review by Tax Committee (Category B)

| ID # | Status                           | Expenditure Program Name   | Brief Description   | Tax policy goal/rationale | FY22 Revenue Loss Estimate* | FY23 Revenue Loss Estimate* | Statutory Cite: Title 36 unless otherwise specified |
|------|----------------------------------|--|---|---------------------------|-----------------------------|-----------------------------|---|
| 99   | Cycle 1 - 2017<br>Cycle 2 - 2023 | Refund of the Gasoline Tax for Off-Highway Use and for Certain Bus Companies     | Gasoline Tax refund (except one cent per gallon) for taxes paid on gasoline used in certain off-highway vehicles or in buses primarily offering tax-exempt fares. This gasoline is additionally subjected to Use Tax. (Highway Fund)                    | Tax Fairness              | \$227,000                   | \$227,000                   | §2908, §2909  |
| 100  | Cycle 1 - 2017<br>Cycle 2 - 2023 | Refund of the Special Fuel Tax for Off-Highway Use and for Certain Bus Companies | Special Fuel Tax refund (except one cent per gallon) for taxes paid on gasoline used in certain off-highway vehicles or in buses primarily offering tax-exempt fares. This gasoline is additionally subjected to Use Tax. (Highway Fund)                | Tax Fairness              | \$2,309,000                 | \$2,309,000                 | §3215, §3218  |
| 101  | Cycle 1 - 2017<br>Cycle 2 - 2023 | Certain Returnable Containers  | Tax exemption on sales of returnable containers when sold with contents at retail, or when resold for refilling.  | Tax Fairness              | \$1,000,000 - \$2,999,999   | \$1,000,000 - \$2,999,999   | §1760(12)   |
| 102  | Cycle 1 - 2017<br>Cycle 2 - 2023 | Packaging Materials  | Tax exemption on sales of packaging materials to businesses engaged in packaging, transporting, shipping, or servicing tangible property.   | Tax Fairness              | \$30,430,000                | \$31,010,000                | §1760(12-A)   |
| 103  | Cycle 1 - 2017<br>Cycle 2 - 2023 | Certain Loaner Vehicles  | Tax exemption on use of a loaner vehicle provided by a new vehicle dealer to a service customer pursuant to warranty.   | Tax Fairness              | \$250,000 - \$999,999       | \$250,000 - \$999,999       | §1760(21-A)   |
| 104  | Cycle 1 - 2017<br>Cycle 2 - 2023 | Mobile & Modular Homes   | Tax exemption on sales of used manufactured housing and sales of new manufactured housing excluding the cost of materials, up to 50% of the sale price.   | Tax Fairness              | \$4,200,000                 | \$4,300,000                 | §1760(40)   |
| 105  | Cycle 1 - 2017<br>Cycle 2 - 2023 | Certain Property Purchased Out of State  | Tax exemption on sales of certain property purchased and used out of state, including automobiles, snowmobiles, ATVs, aircraft, and property brought into the state for use in a declared state disaster or emergency, subject to certain restrictions. | Tax Fairness              | \$1,000,000 - \$2,999,999   | \$1,000,000 - \$2,999,999   | §1760(45)   |
| 106  | Cycle 1 - 2017<br>Cycle 2 - 2023 | Meals & Lodging Provided to Employees  | Tax exemption on meals or lodging provided to employees at the place of employment when credited toward the wages of the employees.   | Tax Fairness              | \$50,000 - \$249,999        | \$50,000 - \$249,999        | §1760(75)   |
| 107  | Cycle 1 - 2017<br>Cycle 2 - 2023 | Trade-In Credits   | Tax exemption on trade-in value for property including motor vehicles, watercraft, aircraft, trailers, truck campers, and other equipment, when traded toward the sale price of a similar item.   | Tax Fairness              | \$23,630,000                | \$24,440,000                | §1765   |
| 108  | Cycle 1 - 2017<br>Cycle 2 - 2023 | Motor Vehicle Fuel   | Tax exemption on sales of motor fuels on which motor fuel taxes have been paid.   | Tax Fairness              | \$105,500,000               | \$117,200,000               | §1760(8)(A)   |
| 175  | Cycle 1 - 2017<br>Cycle 2 - 2023 | Dependent exemption tax credit   | Creates a tax credit equal to \$300 for each qualifying child and dependent for whom the federal child tax credit was claimed for the same taxable year. The credit is nonrefundable. Applicable to tax years beginning on or after January 1, 2018.    | Tax Fairness              | no estimate in MSTER        | no estimate in MSTER        | §5219-SS  |

### 3. Expedited Review by Tax Committee (Category B)

| ID # | Status                           | Expenditure Program Name  | Brief Description   | Tax policy goal/rationale    | FY22 Revenue Loss Estimate*   | FY23 Revenue Loss Estimate*   | Statutory Cite: Title 36 unless otherwise specified |
|------|----------------------------------|---|---|------------------------------|-------------------------------|-------------------------------|---|
| 41   | Cycle 1 - 2018<br>Cycle 2 - 2024 | Certain Veterans' Service Organizations                                 | Sales to an organization that provides services to veterans and their families that is chartered under 36 United States Code, Subtitle II, Part B, and that is recognized as a veterans' service organization by the U.S. Department of Veterans Affairs. | Charitable                   | \$103,000                     | \$106,000                     | §1760(100)  |
| 42   | Cycle 1 - 2018<br>Cycle 2 - 2024 | Construction Contracts with Exempt Organizations                        | Tax exemption on sales of tangible personal property to contractors for incorporation in real property for sale to any sales tax exempt organization or government agency.  | Charitable                   | \$1,250,000 - \$3,999,998     | \$1,250,000 - \$3,999,998     | §1760(61), §2557(31)                                |
| 44   | Cycle 1 - 2018<br>Cycle 2 - 2024 | State and Local Government Exemption from the Gasoline Tax              | Gasoline Tax exemption for sales to the State or any political subdivision of the State. (Highway Fund)   | Charitable                   | \$838,000                     | \$838,000                     | §2903(4)(C)   |
| 45   | Cycle 1 - 2018<br>Cycle 2 - 2024 | State & Local Government Exemption from the Special Fuel Tax            | Special Fuel Tax exemption for sales to the State or any political subdivision of the State. (Highway Fund)   | Charitable                   | \$2,012,000                   | \$2,012,000                   | §3204-A(3)  |
| 47   | Cycle 1 - 2018<br>Cycle 2 - 2024 | Certain Sales by an Auxiliary Organization of the American Legion       | Tax exemption on sales of meals and related items and services by a nonprofit auxiliary organization of the American Legion in connection with a fundraising event, under specified conditions.   | Charitable                   | \$50,000 - \$249,999          | \$50,000 - \$249,999          | §1760(85)   |
| 48   | Cycle 1 - 2018<br>Cycle 2 - 2024 | Sales to the State & Political Subdivisions                             | Tax exemption on sales to the State or federal government or to any political subdivision, agency, or instrumentality of them.  | Charitable                   | \$215,720,000 - \$217,719,999 | \$223,230,000 - \$225,229,999 | §1760(2), §2557(2)                                  |
| 50   | Cycle 1 - 2018<br>Cycle 2 - 2024 | Providing Meals for the Elderly   | Tax exemption on sales of meals to nonprofit area agencies on aging to provide meals to the elderly.  | Charitable                   | \$250,000 - \$999,999         | \$250,000 - \$999,999         | §1760(6)(C)   |
| 52   | Cycle 1 - 2018<br>Cycle 2 - 2024 | Meals Served by a Retirement Facility to its Residents                  | Tax exemption on sales of meals served by a retirement facility to its residents under specified conditions.  | Charitable                   | \$250,000 - \$999,999         | \$250,000 - \$999,999         | §1760(6)(G)   |
| 68   | Cycle 1 - 2018<br>Cycle 2 - 2024 | Merchandise Donated from a Retailer's Inventory to Exempt Organizations | Sales tax exemption on donations of merchandise by a retailer to an organization from retailer's inventory (including that which has been returned to a retailer).  | Charitable                   | \$50,000 - \$249,999          | \$50,000 - \$249,999          | §1864   |
| 69   | Cycle 1 - 2018<br>Cycle 2 - 2024 | Free Publications   | Tax exemption on sales of publications purchased for distribution free of charge and sales of printed materials for inclusion in such publications.   | Charitable                   | \$1,000,000 - \$2,999,999     | \$1,000,000 - \$2,999,999     | §1760(14-A)   |
| 91   | Cycle 1 - 2018<br>Cycle 2 - 2024 | Certain Sales by Civic, Religious or Fraternal Organizations            | Sales of prepared food by a civic, religious or fraternal organization at a public or member-only event, except when alcoholic beverages are available for sale at the event.   | Charitable                   | \$2,125,000                   | \$2,180,000                   | §1760(101)  |
| 156  | Cycle 1 - 2018<br>Cycle 2 - 2024 | Job Increment Financing Fund - Brunswick Naval Air Station              | Reimbursement to SMCC and MRRA of income tax attributed to qualified employees (those receiving a designated level of wages, health and retirement benefits) at businesses in the Brunswick Naval Air Station Area.                                       | Specific Policy Goal/Mandate | \$430,000                     | \$430,000                     | 5 MRSA §13083 S-1                                   |

### 3. Expedited Review by Tax Committee (Category B)

| ID # | Status                           | Expenditure Program Name   | Brief Description   | Tax policy goal/rationale    | FY22 Revenue Loss Estimate* | FY23 Revenue Loss Estimate* | Statutory Cite: Title 36 unless otherwise specified |
|------|----------------------------------|--|---|------------------------------|-----------------------------|-----------------------------|---|
| 157  | Cycle 1 - 2018<br>Cycle 2 - 2024 | Job Increment Financing Fund - Loring  | Reimbursement to Loring Development Authority of income tax attributed to qualified employees (those receiving a designated level of wages, health and retirement benefits) at businesses in the former Loring Air Force Base area.   | Specific Policy Goal/Mandate | \$480,000                   | \$480,000                   | 5 MRSA Ch.383 Art. 1-C                              |
| 193  | Cycle 1 - 2018<br>Cycle 2 - 2024 | nonprofit world-wide, charitable organizations   | Sales tax exemption for a nonprofit community-based worldwide charitable organization that, using private funding, provides financial support to other nonprofit charitable organizations at the community level, including, but not limited to, food banks and homeless or domestic violence shelters, to improve health and education and strengthen financial stability. | Charitable - Other           | \$205,500                   | \$211,600                   | 36 MRS §1760(103) (Conflict)                        |
| 49   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Meals Served by Public or Private Schools  | Tax exemption on sales of meals served by schools and school organizations to students and teachers.  | Charitable                   | \$7,314,000                 | \$7,460,000                 | §1760(6)(A)   |
| 51   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Meals Served by Youth Camps Licensed by DHHS   | Tax exemption on sales of meals served by state-licensed youth camps.   | Charitable                   | \$250,000 - \$999,999       | \$250,000 - \$999,999       | §1760(6)(F)   |
| 53   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Sales to Hospitals, Research Centers, Churches and Schools   | Tax exemption on sales to schools, churches, hospitals, certain nonprofit health and human service organizations, certain research organizations, and educational television and radio stations.  | Charitable                   | \$6,000,000 or more         | \$6,000,000 or more         | §1760(16), §2557(3)                                 |
| 54   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Sales to Certain Nonprofit Residential Child Caring Institutions   | Tax exemption on sales to State-licensed private nonprofit residential child caring institutions.   | Charitable                   | \$50,000 - \$299,998        | \$50,000 - \$299,998        | §1760(18-A), §2557(4)                               |
| 55   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Rental of Living Quarters at Schools   | Tax exemption on rental charges for living quarters required for attendance at a school.  | Charitable                   | \$7,900,000                 | \$7,900,000                 | §1760(19)   |
| 56   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Sales to Ambulance Services & Fire Departments   | Tax exemption on sales to nonprofit fire departments, ambulance services, and air ambulance services.   | Charitable                   | \$250,000 - \$1,049,998     | \$250,000 - \$1,049,998     | §1760(26), §2557(5)                                 |
| 57   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Sales to community mental health facilities, community adult developmental services facilities and community substance use disorder facilities | Tax exemption on sales to community mental health, adult developmental services and substance abuse services facilities.  | Charitable                   | \$50,000 - \$299,998        | \$50,000 - \$299,998        | §1760(28), §2557(6)                                 |
| 58   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Sales to Historical Societies & Museums  | Tax exemption on sales to certain nonprofit memorial foundations, historical societies, and museums.  | Charitable                   | \$50,000 - \$299,998        | \$50,000 - \$299,998        | §1760(42), §2557(8)                                 |
| 59   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Sales to Child Care Facilities   | Tax exemption on sales to licensed nonprofit nursery schools and day care centers.  | Charitable                   | \$50,000 - \$299,998        | \$50,000 - \$299,998        | §1760(43), §2557(9)                                 |

### 3. Expedited Review by Tax Committee (Category B)

| ID # | Status                           | Expenditure Program Name   | Brief Description   | Tax policy goal/rationale      | FY22 Revenue Loss Estimate* | FY23 Revenue Loss Estimate* | Statutory Cite: Title 36 unless otherwise specified |
|------|----------------------------------|--|---|--------------------------------|-----------------------------|-----------------------------|---|
| 60   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Sales to Emergency Shelters & Feeding Organizations                        | Tax exemption on sales to nonprofit organizations providing free temporary emergency shelter or food to underprivileged individuals.  | Charitable                     | \$50,000 - \$299,998        | \$50,000 - \$299,998        | §1760(47-A), §2557(12)                              |
| 61   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Sales to Comm. Action Agencies; Child Abuse Councils; Child Advocacy Orgs. | Sales to nonprofit child abuse and neglect prevention councils, certain child advocacy organizations and community action agencies.   | Charitable                     | \$300,000 - \$1,249,998     | \$300,000 - \$1,249,998     | §1760(49), §2557(13)                                |
| 62   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Sales to any Nonprofit Free Libraries                                      | Tax exemption on sales to nonprofit government-funded free public lending libraries, and sales by the library or a nonprofit established to support the library.  | Charitable                     | \$50,000 - \$299,998        | \$50,000 - \$299,998        | §1760(50), §2557(14)                                |
| 63   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Sales to Nonprofit Youth Athletic & Scouting Organizations                 | Tax exemption on sales to nonprofit youth organizations whose primary purpose is to provide athletic instruction, and nonprofit scouting organizations.   | Charitable                     | \$300,000 - \$1,249,998     | \$300,000 - \$1,249,998     | §1760(56), §2557(18)                                |
| 64   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Sales by Schools & School-Sponsored Organizations                          | Tax exemption on sales by schools and school organizations, provided that sales benefit the school, organization, or a charitable purpose.  | Charitable                     | \$250,000 - \$999,999       | \$250,000 - \$999,999       | §1760(64)   |
| 65   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Sales to Nonprofit Home Construction Organizations                         | Tax exemption on sales to nonprofit organizations that construct low-cost housing for low-income people.  | Charitable                     | \$50,000 - \$249,998        | \$50,000 - \$298,998        | §1760(67), §2557(23)                                |
| 66   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Sales to Nonprofit Housing Development Organizations                       | Tax exemption on sales to nonprofit organizations whose primary purpose is developing housing for low-income people.  | Charitable                     | \$50,000 - \$249,998        | \$50,000 - \$298,998        | §1760(72), §2557(27)                                |
| 90   | Cycle 1 - 2019<br>Cycle 2 - 2025 | Adaptive Equipment for Vehicles of Persons with Disabilities               | Tax exemption on sales of adaptive equipment used to make a motor vehicle operable or accessible by a person with a disability.   | Charitable                     | \$83,000                    | \$86,000                    | §1760(95)   |
| 191  | Cycle 1 - 2019<br>Cycle 2 - 2025 | Non-profit youth camps   | Sales tax exemption for purchases by nonprofit youth camps as defined in Title 22, section 2491, subsection 16 that are licensed by the Department of Health and Human Services and receive an exemption from property tax under section 652, subsection 1. | Charitable - Youth             | \$76,000                    | \$77,900                    | 36 MRS §1760(103) (Conflict)                        |
| 128  | Cycle 1 - 2020<br>Cycle 2 - 2026 | Gasoline Exported from the State   | Gasoline Tax exemption for sales wholly for export from the State. (Highway Fund)   | Interstate or Foreign Commerce | \$45,627,000                | \$46,659,000                | §2903(4)(A)   |
| 129  | Cycle 1 - 2020<br>Cycle 2 - 2026 | Special Fuel Exported from the State                                       | Special Fuel Tax exemption for sales of distillates and low energy fuel to be exported from the State by a licensed supplier. (Highway Fund)  | Interstate or Foreign Commerce | \$8,678,000                 | \$8,808,000                 | §3204-A(5)  |
| 130  | Cycle 1 - 2020<br>Cycle 2 - 2026 | Excise Tax Exemption on Jet or Turbo Jet Fuel - International Flights      | Gasoline Tax exemption for gasoline used to propel jet engine aircraft on international flights. (State Transit, Aviation and Rail Fund)  | Interstate or Foreign Commerce | \$139,000                   | \$142,000                   | §2903(4)(D)   |

### 3. Expedited Review by Tax Committee (Category B)

| ID # | Status                           | Expenditure Program Name   | Brief Description   | Tax policy goal/rationale      | FY22 Revenue Loss Estimate* | FY23 Revenue Loss Estimate* | Statutory Cite: Title 36 unless otherwise specified |
|------|----------------------------------|--|---|--------------------------------|-----------------------------|-----------------------------|---|
| 131  | Cycle 1 - 2020<br>Cycle 2 - 2026 | Ships' Stores  | Tax exemption on sales of supplies and bunkering oil to ships engaged in interstate or foreign commerce.  | Interstate or Foreign Commerce | \$250,000 - \$999,999       | \$250,000 - \$999,999       | §1760(4)  |
| 132  | Cycle 1 - 2020<br>Cycle 2 - 2026 | Certain Jet Fuel   | Tax exemption on sales of fuel to propel jet engine aircraft.   | Interstate or Foreign Commerce | \$3,640,000                 | \$3,680,000                 | §1760(8)(B)   |
| 133  | Cycle 1 - 2020<br>Cycle 2 - 2026 | Certain Vehicles Purchased or Leased by Nonresidents                     | Tax exemption on sale or lease of motor vehicles, semitrailers, aircraft, and camper trailers to nonresidents, if the vehicle is intended to be removed from the State immediately.               | Interstate or Foreign Commerce | \$250,000 - \$999,999       | \$250,000 - \$999,999       | §1760(23-C)   |
| 134  | Cycle 1 - 2020<br>Cycle 2 - 2026 | Certain Vehicles Purchased or Leased by Qualifying Resident Businesses   | Tax exemption on sale or lease of certain motor vehicles to a business if the vehicle is intended to be removed from the State immediately and for use exclusively in out of state business.      | Interstate or Foreign Commerce | \$1,000,000                 | \$1,000,000                 | §1760(23-D)   |
| 135  | Cycle 1 - 2020<br>Cycle 2 - 2026 | Watercraft Purchased by Nonresidents                                     | Tax exemption on sales to or use by a nonresident of watercraft or materials used in watercraft, subject to certain restrictions.   | Interstate or Foreign Commerce | \$250,000 - \$999,999       | \$250,000 - \$999,999       | §1760(25)   |
| 136  | Cycle 1 - 2020<br>Cycle 2 - 2026 | Sales of Property Delivered Outside this State                           | Tax exemption on sales of tangible personal property delivered outside the State for use outside the State.   | Interstate or Foreign Commerce | \$6,000,000 or more         | \$6,000,000 or more         | §1760(82)   |
| 137  | Cycle 1 - 2020<br>Cycle 2 - 2026 | Sales of Certain Printed Materials                                       | Tax exemption on sales of printed advertising or promotional materials transported outside the State for use outside the State.   | Interstate or Foreign Commerce | \$250,000 - \$999,999       | \$250,000 - \$999,999       | §1760(83)   |
| 138  | Cycle 1 - 2020<br>Cycle 2 - 2026 | Sales of Certain Aircraft  | Tax exemption on sales or leases of aircraft that weight over 6,000 pounds, are propelled by turbine engine, or are in use by certain Federal Aviation Administration (FAA) classified operators. | Interstate or Foreign Commerce | \$50,000 - \$249,999        | \$50,000 - \$249,999        | §1760(88)   |
| 139  | Cycle 1 - 2020<br>Cycle 2 - 2026 | Sale, Use or Lease of Aircraft and Sales of Repair and Replacement Parts | Tax exemption on sales, use or leases of aircraft and sales of aircraft repair and replacement parts from July 1, 2011 to June 30, 2021.  | Interstate or Foreign Commerce | \$250,000 - \$999,999       | \$250,000 - \$999,999       | §1760(88-A)   |
| 173  | Cycle 1 - 2020<br>Cycle 2 - 2026 | Property Used in Interstate Commerce                                     | Tax exemption on sales of a vehicle, railroad car, aircraft or watercraft used in interstate or foreign commerce, subject to certain restrictions.  | Interstate or Foreign Commerce | \$1,000,000 - \$2,999,999   | \$1,000,000 - \$2,999,999   | §1760(41) (Rep),<br>§1760(41A) (Enact)              |

**Sources:** FY22 & 23 Revenue Loss estimates: Maine State Tax Expenditures Report 2022-2023. All other information: OPEGA analysis of Maine Revenue Services information and Maine Revised Statutes.

## 4. No Review (Category C)

| ID # | Expenditure Program Name   | Brief Description   | Tax policy goal/Rationale                 | FY22 Revenue Loss Estimate* | FY23 Revenue Loss Estimate* | Statutory Cite: Title 36 unless otherwise specified |
|------|--|---|---|-----------------------------|-----------------------------|---|
| 12   | Business Purchases of automobiles for the purpose of rentals for less than one year. | The sale, to a person engaged in the business of renting automobiles, of automobiles, integral parts of automobiles or accessories to automobiles, for rental or for use in an automobile rented for a period of less than one year. For the purposes of this subparagraph, "automobile" includes a pickup truck or van with a gross vehicle weight of less than 26,000 pounds. (This is an exemption by defining it as "not a retail sale".) | Business Incentive - Equipment Investment | \$0                         | \$0                         | §1752(11)(B)(3)                                     |
| 15   | Credit for Disability Income Protection Plans in the Workplace                       | Tax credit to employers for employees enrolled in disability income protection plans on or after January 1, 2017.   | Non-Business Incentive                    | \$0 - \$50,000              | \$0 - \$50,000              | §5219-00  |
| 17   | Credit for Wellness Programs   | Tax credit to employers with 20 or fewer employees for expenditures on wellness programs up to \$2,000.   | Non-Business Incentive - Health & Safety  | \$12,000                    | \$12,000                    | §5219-FF  |
| 21   | Dental Care Access Credit  | Tax credit (not to exceed \$12,000 or \$15,000) for a limited number of licensed dentists (five or six) per year who agree to practice in underserved areas of the State for at least 5 years and are certified eligible by the State's Oral Health Program; credit ends in 2020, with certification ending in 2015.  | Non-Business Incentive                    | \$111,000                   | \$166,000                   | 5219-DD   |
| 22   | Innovation Finance Credit  | Refundable tax credit available to the Maine Public Employees Retirement System for capital losses sustained in the Innovation Finance Program administered by the Finance Authority of Maine, which encourages investment in venture capital funds for innovative Maine businesses. Ends in 2029. Per FAME, this has never been utilized.  | Non-Business Incentive                    | \$0 - \$4,000,000*          | \$0 - \$4,000,000*          | 5219-EE   |
| 23   | Deduction for Affordable Housing   | Deduction for income resulting from sale of certified multifamily affordable housing properties. Per MaineHousing, this has been used only three times since its enactment.   | Non-Business Incentive                    | \$0 - \$50,000              | \$0 - \$50,000              | 5122.2.Z  |
| 24   | Primary Care Access Credit   | Tax credit for outstanding student loans available to a limited number of primary care medical professionals who agree to practice in underserved areas of the state for at least 5 years, with limitations.  | Non-Business Incentive                    | \$256,000                   | \$319,000                   | 5219-LL (relocated from 5219-KK)                    |
| 26   | Credit for Modifications to Make Homes Accessible                                    | Tax credit to individuals for a portion of the cost incurred in modifying a home to make it accessible for a person with a disability or physical hardship. Effective for tax years beginning on or after January 1, 2017.  | Tax Relief - Individuals                  | \$6,000                     | \$6,000                     | 5219-PP   |

## 4. No Review (Category C)

| ID # | Expenditure Program Name   | Brief Description  | Tax policy goal/Rationale | FY22 Revenue Loss Estimate* | FY23 Revenue Loss Estimate* | Statutory Cite: Title 36 unless otherwise specified |
|------|--|--|---------------------------|-----------------------------|-----------------------------|---|
| 28   | Adult Dependent Care Credit  | Tax credit to individuals for a portion of adult dependent care expenses paid including expenses for adult day care, hospice services or respite care.   | Tax Relief - Individuals  | \$24,000                    | \$24,000                    | 5218-A  |
| 38   | Deduction for Holocaust Victim Settlement Payments                     | Deduction for settlement payments received by Holocaust victims.   | Tax Relief                | \$0 – \$10,000              | \$0 – \$10,000              | 5122.2.0  |
| 39   | Certain Veterans' Support Organizations                                | Sales tax and service provider tax exemption to incorporated nonprofit organizations providing direct supportive services to veterans with service-related post-traumatic stress disorder or traumatic brain injury. | Charitable                | \$22,000 - \$71,999         | \$22,000 - \$71,999         | 1760.98 & 2557.37                                   |
| 40   | Nonprofit Library Collaboratives                                       | Sales tax and service provider tax exemption for nonprofit collaboratives of academic, public, school and special libraries.   | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.99 & 2557.38                                   |
| 43   | Sales of Certain Qualified Snowmobile Trail Grooming Equipment         | Tax exemption on sales of snowmobile trail grooming equipment to incorporated snowmobile clubs.  | Charitable                | \$12,500                    | \$13,500                    | 1760.90   |
| 46   | Meals for Residents of Certain Nonprofit Congregate Housing Facilities | Tax exemption on sales of meals to residents of nonprofit church-affiliated congregate housing facilities for the lower-income elderly.  | Charitable                | \$0 - \$49,999              | \$0 - \$49,999              | 1760.6.D  |
| 70   | Automobiles Used in Driver Education Programs                          | Tax exemption on automobile sales to automobile dealers to equip and provide them to schools for driver education programs.  | Charitable                | \$0 - \$49,999              | \$0 - \$49,999              | 1760.21   |
| 71   | Automobiles Sold to Certain Disabled Veterans                          | Tax exemption on sales of automobiles to certain amputee and blind veterans.   | Charitable                | \$0 - \$49,999              | \$0 - \$49,999              | 1760.22   |
| 72   | Goods & Services for Seeing Eye Dogs                                   | Tax exemption on sales of tangible personal property and taxable services for the care and maintenance of seeing eye dogs to aid any blind person.   | Charitable                | \$0 - \$49,999              | \$0 - \$49,999              | 1760.35   |
| 73   | Sales to Regional Planning Agencies                                    | Tax exemption on sales to regional planning commissions and councils of government.  | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.37 & 2557.7                                    |
| 74   | Sales to Church Affiliated Residential Homes                           | Tax exemption on sales to church affiliated nonprofit organizations operating a residential home for adults under charter by the Legislature.  | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.44 & 2557.10                                   |
| 75   | Sales to Organ. that Provide Residential Facilities for Med. Patients  | Tax exemption on sales to nonprofit organizations providing temporary residential accommodations to medical patients and their families.   | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.46 & 2557.11                                   |
| 76   | Sales to Veterans' Memorial Cemetery Associations                      | Tax exemption on sales to nonprofit Veterans' Memorial Cemetery Associations.  | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.51 & 2557.15                                   |

## 4. No Review (Category C)

| ID # | Expenditure Program Name   | Brief Description  | Tax policy goal/Rationale | FY22 Revenue Loss Estimate* | FY23 Revenue Loss Estimate* | Statutory Cite: Title 36 unless otherwise specified |
|------|--|--|---------------------------|-----------------------------|-----------------------------|---|
| 77   | Sales to Nonprofit Rescue Operations   | Tax exemption on sales to nonprofit volunteer search and rescue organizations.   | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.53 & 2557.16                                   |
| 78   | Sales to Hospice Organizations   | Tax exemption on sales to nonprofit hospice organizations.   | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.55 & 2557.17                                   |
| 79   | Self-Help Literature on Alcoholism   | Tax exemption on sales of self-help literature on alcoholism to alcoholics anonymous groups.   | Charitable                | \$0 - \$49,999              | \$0 - \$49,999              | 1760.57   |
| 80   | Portable Classrooms  | Tax exemption on sales of tangible personal property to become part of a portable classroom for lease to a school.   | Charitable                | \$0 - \$49,999              | \$0 - \$49,999              | 1760.58   |
| 81   | Sales to Certain Nonprofit Educational Orgs.                                     | Tax exemption on sales to State-funded nonprofit educational organizations providing decision making programs about drugs, alcohol and relationships at residential youth camps. | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.59 & 2557.19                                   |
| 82   | Sales to Nonprofit Animal Shelters   | Tax exemption on sales to nonprofit animal shelters of tangible personal property used in the operation and maintenance of the shelter and animal care.                          | Charitable                | \$0 - \$49,999              | \$0 - \$49,999              | 1760.60   |
| 83   | Sales to Certain Charitable Suppliers of Medical Equipment                       | Tax exemption on sales to nonprofit charitable organizations that lend medical supplies and equipment free of charge.  | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.62 & 2557.20                                   |
| 84   | Sales to Orgs that Fulfill the Wishes of Children with Life-Threatening Diseases | Tax exemption on sales to nonprofit organizations whose sole purpose is to fulfill the wishes of children with life-threatening diseases.  | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.63 & 2557.21                                   |
| 85   | Sales to Monasteries and Convents  | Tax exemption on sales of tangible personal property to nonprofit monasteries and convents for use in their operation and maintenance.   | Charitable                | \$0 - \$49,999              | \$0 - \$49,999              | 1760.65   |
| 86   | Sales to Providers of Certain Support Systems for Single-Parent Families         | Tax exemption on sales to nonprofit organizations providing support systems for single-parent families.  | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.66 & 2557.22                                   |
| 87   | Sales to Orgs that Create & Maintain a Registry of Vietnam Veterans              | Tax exemption on sales to nonprofit organizations whose sole purpose is to maintain a registry of Vietnam veterans.  | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.69 & 2557.24                                   |
| 88   | Sales to Orgs that Provide Certain Services for Hearing-Impaired Persons         | Tax exemption on sales to nonprofit organizations whose primary purpose is to promote understanding of hearing impairment and assist hearing-impaired persons.                   | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.70 & 2557.25                                   |
| 89   | Sales to Eye Banks   | Tax exemption on sales to nonprofit organizations whose primary purpose is to medically evaluate and distribute eyes for transplantation, research, and education.               | Charitable                | \$0 - \$99,998              | \$0 - \$99,998              | 1760.77 & 2557.28                                   |
| 110  | Credit to Beneficiary for Accumulation Distribution                              | Tax credit to a beneficiary of a trust for tax already paid by the trust on the income (when distributed from the trust to the beneficiary).                                     | Tax Fairness              | \$0 - \$50,000              | \$0 - \$50,000              | 5214-A  |



## 4. No Review (Category C)

| ID # | Expenditure Program Name                                       | Brief Description  | Tax policy goal/Rationale      | FY22 Revenue Loss Estimate* | FY23 Revenue Loss Estimate* | Statutory Cite: Title 36 unless otherwise specified |
|------|--|--|--------------------------------|-----------------------------|-----------------------------|---|
| 111  | Refund of Excise Tax on Fuel Used in Piston Aircraft           | Gasoline Tax refund (except four cents per gallon) for gasoline used in propelling piston engine aircraft. (State Transit, Aviation and Rail Fund)   | Tax Fairness                   | \$20,000                    | \$20,000                    | 2910  |
| 112  | Sales to State-Chartered Credit Unions                         | Tax exemption on sales to State-chartered credit unions.   | Tax Fairness                   | \$0 - \$99,998              | \$0 - \$99,998              | 1760.71 & 2557.26                                   |
| 113  | Electricity Used for Net Billing                               | Tax exemption on sale or delivery of electricity to net energy billing customers for which no money is paid.   | Tax Fairness                   | \$6,200,000                 | \$7,300,000                 | 1760.80   |
| 114  | Certain Vehicle Rentals  | Tax exemption on rental of an automobile for less than one year when rental is to a service customer pursuant to a warranty and the rental fee is paid by the vehicle dealer or warrantor. | Tax Fairness                   | \$0 - \$49,999              | \$0 - \$49,999              | 1760.92   |
| 140  | Certain Aircraft Parts   | Tax exemption on sale or use of aircraft parts used by a commercial airline under Federal Aviation Administration (FAA) regulations.   | Interstate or Foreign          | \$0 - \$49,999              | \$0 - \$49,999              | 1760.76   |
| 141  | Refund of Sales Tax on Goods Removed from the State            | Refund of sales tax paid on business purchases of supplies and equipment withdrawn from inventory for use at a location in another taxing jurisdiction.                                    | Interstate or Foreign Commerce | \$0 - \$49,999              | \$0 - \$49,999              | 2012  |
| 142  | Snowmobiles and All-terrain Vehicles Purchased by Nonresidents | Tax exemption on sales to a nonresident of snowmobiles or all-terrain vehicles.  | Interstate or Foreign Commerce | \$0 - \$49,999              | \$0 - \$49,999              | 1760.25-C   |
| 151  | Fuel Oil for Burning Blueberry Land                            | Tax exemption on sales of fuel used to burn blueberry fields.  | Inputs to Tangible Products    | \$0 - \$49,999              | \$0 - \$49,999              | 1760.9-A  |
| 152  | Fuel Oil or Coal which becomes an Ingredient or Component Part | Tax exemption on sales of fuel oil or coal which becomes an ingredient or component part of tangible personal property for later sale.   | Inputs to Tangible Products    | \$0 - \$49,999              | \$0 - \$49,999              | 1760.9-G  |
| 153  | Sales of Certain Farm Animal Bedding & Hay                     | Tax exemption on sales of organic bedding materials for farm animals and hay.  | Inputs to Tangible Products    | \$0 - \$49,999              | \$0 - \$49,999              | 1760.78   |
| 158  | Animal Waste Storage Facility                                  | Tax exemption on sales of materials used in construction, repair or maintenance of an animal waste storage facility, under specified conditions.   | Specific Policy Goal/Mandate   | \$0 - \$49,999              | \$0 - \$49,999              | 1760.81   |
| 159  | Sales to Centers for Innovation                                | Tax exemption on sales to centers for innovation, established by State law, which represent specific industry sectors with significant potential for growth and development.               | Specific Policy Goal/Mandate   | \$0 - \$99,998              | \$0 - \$99,998              | 1760.84 & 2557.29                                   |
| 160  | Plastic Bags Sold to Redemption Centers                        | Tax exemption on sales to a local redemption center of plastic bags used to sort, store or transport returnable beverage containers.   | Specific Policy Goal/Mandate   | \$42,000                    | \$43,000                    | 1760.93   |

## 4. No Review (Category C)

| ID # | Expenditure Program Name  | Brief Description   | Tax policy goal/Rationale    | FY22 Revenue Loss Estimate* | FY23 Revenue Loss Estimate* | Statutory Cite: Title 36 unless otherwise specified |
|------|---|---|------------------------------|-----------------------------|-----------------------------|---|
| 161  | Fish Passage Facilities   | Refund of sales or use tax paid on materials used in construction of fish passage facilities in dams, under specified conditions.   | Specific Policy Goal/Mandate | \$0 - \$49,999              | \$0 - \$49,999              | 2014  |
| 166  | Certain Meals Served by Colleges to Employees of the College                      | Tax exemption on sales of meals served by a college to its employees if purchased with college-issued debit cards.  | Administrative Burden        | \$0 - 49,999                | \$0 - 49,999                | 1760.6.E  |
| 167  | Casual Sales  | Tax exemption on any casual sale, defined as an isolated transaction in which tangible personal property or a taxable service is sold other than in the ordinary course of repeated transactions by the person making the sale; e.g. at a yard sale.  | Administrative Burden        | \$1,000,000 - \$2,999,999   | \$1,000,000 - \$2,999,999   | 1752.11.B(1)  |
| 168  | Sales by Executors  | Tax exemption on sales by a personal representative in the settlement of an estate.   | Administrative Burden        | \$0 - 49,999                | \$0 - 49,999                | 1752.11.B(2)  |
| 169  | Sales tax exemption for Paint Stewardship Program fee                             | Exempts from sales and use tax the fee imposed to fund the paint staewardship program. Effective December 1, 2018.  | Administrative Burden        | \$74,000                    | \$76,000                    | 1752.14.B(12) conflict                              |
| 170  | Sales tax exemption for nonprofit heating assistance organizations                | Exempts from sales and use tax organizations that have been determined by the US IRS to be exempt from taxation under §501(c)(3) of the federal Internal Revenue Code of 1986 and whose primary purpose is to provide residential heating assistance to low-income individuals. Effective October 1, 2018.  | Charitable                   | \$500                       | \$500                       | 1760.102 (conflict)                                 |
| 174  | Sales tax exemption for certain support organizations for combat-injured veterans | Exempts from sales and use tax the service provider tax for incorporated nonprofit organizations organized for the primary purpose of operating a retreat in the State for combat-injured veterans and their families free of charge. Effective October 1, 2018.  | Charitable                   | \$2,700                     | \$2,800                     | 1760.103 & 2557.39                                  |
| 178  | Cellular or wireless services supported by Federal universal support funds        | Telephone services available to income-eligible Maine consumers and supported by federal universal service support funds are not subject to the service provider tax. Effective January 1, 2019.  | Charitable                   | no estimate in MSTER        | no estimate in MSTER        | 1752(14)(B) & 2551(15)(F)                           |
| 179  | Military annuity payments made to survivor  | To the extent included in Federal AGI, annuity payments made to the survivor of a deceased member of the military who died as a result fo service in active or reserve companents of the United States Army, Navt, Air Force, Marines or Coast Guard under a survivor benefit plan or reserve component survivor benefit plan pursuant to 10 U.S. Code Chapter 73 are exempt from Maine income tax. | Tax Relief                   | \$57,000                    | \$57,000                    | 5122(2)(HH)   |
| 180  | Family development account proceeds   | Individuals whose family income is below 200% of the proverty level may open a family development account in connection with an approved community development organization. Account balances and withdrawals are exempt from Maine individual income tax to the extent included in Federal AGI.  | Tax Relief                   | \$0 - \$10,000              | \$0 - \$10,000              | 10 MRSA §1077                                       |

## 4. No Review (Category C)

| ID # | Expenditure Program Name   | Brief Description   | Tax policy goal/Rationale                | FY22 Revenue Loss Estimate*  | FY23 Revenue Loss Estimate*  | Statutory Cite: Title 36 unless otherwise specified |
|------|--|---|--|--|--|---|
| 181  | Municipal property tax benefits for senior citizens                              | A municipality by ordinance, may adopt a program that permits claimants who are at least 60 years of age to earn benefits up to a maximum \$1000 by volunteering to provide services to the municipality. The amount of benefits received during the tax year are exempt from Maine individual income tax.  | Tax Relief                               | \$0 - \$10,000   | \$0 - \$10,000   | 5122(2)(EE)   |
| 182  | Deduction for gain on sales of eligible timberlands                              | A subtraction modification is allowed on the Maine individual income tax return equal to the applicable percentage of the gain from the sale of sustainably managed, eligible timberlands that is included in Federal AGI.  | Tax Relief                               | \$345,000  | \$395,000  | 5122(2)(U)  |
| 183  | Student Loan Payment Subtraction Modification of AGI                             | A subtraction modification is allowed for a taxpayer who is a qualified health care employee and whose employer pays the employee's student loans directly to a lender.   | Non-Business Incentive - Education       | N/A  | N/A  | 5122(2)(QQ) reallocated to 5122(2)(SS)              |
| 184  | Sales tax exemption for watercraft by certain nonprofit transportation companies | Exemption if company operates pursuant to a written understanding with a municipality that the watercraft will be available at all times to transport emergency medical patients from an island to the mainland.  | Charitable                               | Fiscal note says "very minor"                                      |  | 1760(26)(A)   |
| 186  | ABLE Savings Account subtraction modification                                    | for tax years beginning on or after Jan 1, 2020, earnings on funds held in qualified Achieving Better Life Experience (ABLE) accounts are deductible in calculating Maine taxable income.   | Non-Business Incentive - Health & Safety | From Fiscal Note LD 1637 notes only minor decreases in GF revenue. | From Fiscal Note LD 1637 notes only minor decreases in GF revenue. | \$5122(2)(QQ)                                       |
| 187  | FAME "COVID-19" Loan Guarantee Program deferred interest exemption               | The FAME loan guarantee program enacted by PL 2019, c. 617, Pt. I §2 (10 MRSA §§1100-BB through 1100-GG) includes a subsection which makes deferred or cancelled interest exempt from all State taxes.  | Tax Relief - Individuals                 | \$0  | \$0  | 10 §1100-DD(6)                                      |
| 188  | Credit for Biofuel Commercial Production   | A taxpayer engaged in the production of biofuels in the State who has received certification is allowed a credit against the tax imposed on income from the production of biofuel in the amount of 5¢ per gallon of liquid biofuel or gaseous biofuel with a BTU equivalent to that of one gallon of gasoline that replaces the use of petroleum or liquid fuels derived from other fossil carbon sources. For tax years beginning on or after Jan 1, 2020 this credit is reinstated. | Business Incentive - Targeted Industry   | \$0 - \$50,000   | \$0 - \$50,000   | 36 MRS §5219-X(5)                                   |

## 4. No Review (Category C)

| ID # | Expenditure Program Name  | Brief Description  | Tax policy goal/Rationale              | FY22 Revenue Loss Estimate* | FY23 Revenue Loss Estimate* | Statutory Cite: Title 36 unless otherwise specified |
|------|---|--|--|-----------------------------|-----------------------------|---|
| 190  | Renewable Chemicals Tax Credit  | Taxpayer engaged in production of renewable chemicals in Maine may claim a credit 8 cents per pound of renewable chemicals produced. Credit may only be used to reduce the Maine tax imposed on income derived from production of renewable chemicals. Includes employment restrictions on contractors hired or retained to harvest renewable biomass used in production of renewable chemicals. | Business Incentive - Targeted Industry | \$47,500                    | \$95,000                    | 36 MRS § 5219-XX                                    |
| 192  | Pet food assistance programs  | Sales tax exemption for an incorporated nonprofit organization organized for the purpose of providing food or other supplies intended for pets at no charge to owners of those pets.   | Charitable                             | \$5,400                     | \$5,550                     | 36 MRS §1760(103)<br>(Conflict)                     |
| 194  | <b>(NEW) Sales tax exemption for menstrual products</b>                 | <b>Beginning October 1, 2021, sales of menstrual products will be exempt from sales tax.</b>   | <b>Necessity of Life</b>               | <b>unknown</b>              | <b>unknown</b>              | <b>36 MRS 1760(107)</b>                             |
| 195  | <b>(NEW) Sales tax exemption for area agencies on aging</b>             | <b>Beginning January 1, 2022, sales to designated area agencies (or other identified agencies) will be exempt from the sales tax.</b>  | <b>Charitable</b>                      | <b>\$25,650</b>             | <b>\$62,700</b>             | <b>36 MRS 1760(107)</b>                             |
| 196  | <b>(NEW) Sales tax exemption for nonprofit cemeteries</b>               | <b>Beginning January 1, 2022, sales to a cemetery company that is exempt from federal income tax will be exempt from the sales tax.</b>  | <b>Charitable</b>                      | <b>\$2,375</b>              | <b>\$5,700</b>              | <b>36 MRS 1760(107)</b>                             |
| 197  | <b>(NEW) Sales tax exemption for certain educational collaboratives</b> | <b>Beginning January 1, 2022, sales to an incorporated nonprofit collaborative whose members are regional school units (and meets other criteria) will be exempt from the sales tax.</b>   | <b>Charitable</b>                      | <b>\$1,900</b>              | <b>\$3,800</b>              | <b>36 MRS 1760(107)</b>                             |
| 198  | <b>(NEW) Sales tax exemption for firearm safety devices</b>             | <b>Beginning January 1, 2022, sales of a safe, lockbox, trigger lock or barrel lock that is specifically designed for securing firearms will be exempt from the sales tax.</b>   | <b>Specific Policy Goal/Mandate</b>    | <b>\$42,350</b>             | <b>\$85,662</b>             | <b>36 MRS 1760(107)</b>                             |
| 199  | <b>(NEW) Access to justice income tax credit</b>                        | <b>Enacted to encourage attorneys to practice law in underserved areas of Maine. Up to five eligible attorneys each year from 2022-2027 may be certified.</b>  | <b>Specific Policy Goal/Mandate</b>    | <b>\$0</b>                  | <b>\$24,062</b>             | <b>36 MRS 5219-YY</b>                               |

**Sources:** FY22 & 23 Revenue Loss estimates: *Maine State Tax Expenditures Report 2022-2023* (for new enactments, revenue loss estimates is from fiscal note). All other information: *OPEGA analysis of Maine Revenue Services information and Maine Revised Statutes.*