



125th MAINE LEGISLATURE

LD 1118

LR 1847(01)

An Act To Provide a Tax Credit for High-quality Child Care Sites

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Strang Burgess of Cumberland

Committee: Taxation

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Current biennium revenue decrease - General Fund

Current biennium revenue decrease - Other Special Revenue Funds

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	\$10,000	\$0	\$0	\$0
Appropriations/Allocations				
General Fund	\$10,000	\$0	\$0	\$0

Fiscal Detail and Notes

Amending the income tax credit for child and dependent care expenses to provide an enhanced credit if the services are provided at a child care site rated for quality level by the Department of Health and Human Services (DHHS), as well as expanding the credit to include contributions to public-private partnerships certified by DHHS together with a related investment cap on the amount of certified investments will reduce General Fund revenue and will reduce revenue sharing. The amount of the revenue reduction cannot be forecast until a conflict in the bill regarding the credit is addressed. Maine Revenue Services will require a one-time General Fund appropriation of \$10,000 in fiscal year 2011-12 to update the existing child care credit calculation that is used by internet filing and electronic filing programs and to administer the revised income tax credit. Any additional costs to the Department of Health and Human Services can be absorbed utilizing existing budget resources.