



# 127th MAINE LEGISLATURE

LD 297

LR 1423(02)

## An Act To Increase Allowed Investments under the Maine New Markets Capital Investment Program

Fiscal Note for Bill as Amended by Committee Amendment " "
Committee: Labor, Commerce, Research and Economic Development
Fiscal Note Required: Yes

### Fiscal Note

Table with 5 columns: Category, FY 2015-16, FY 2016-17, Projections FY 2017-18, Projections FY 2018-19. Rows include Net Cost (Savings) and Appropriations/Allocations for General Fund.

#### Fiscal Detail and Notes

This bill includes General Fund appropriations of \$10,000 in fiscal year 2015-16 and \$10,000 in fiscal year 2016-17 to the Finance Authority of Maine for the additional costs associated with the State Tax Assessor review of sham transactions.

This legislation requires the State Tax Assessor to recapture credits under the Maine New Markets Capital Investment Program if the credits are deemed to be the result of sham transactions. It also eliminates the eligibility of certain refinancing and ownership transfer transactions that can qualify as investment. These provisions could result in an increase in General Fund and Local Government Fund revenue if sham transactions are found. No estimate of the potential revenue impact is made at this time.

It is assumed that the Legislature's Office of Program Evaluation and Government Accountability would perform any additional work required by the bill using existing budgeted resources.