



# 131st MAINE LEGISLATURE

LD 1671

LR 952(02)

## An Act to Reduce the Income Tax to 4.5 Percent on the Lowest Tax Bracket and Remove Low-income Families from Taxation

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
<b>Net Cost (Savings)</b>				
General Fund	\$251,931,500	\$189,287,500	\$209,522,500	\$235,362,500
<b>Appropriations/Allocations</b>				
General Fund	\$134,000	\$0	\$0	\$0
<b>Revenue</b>				
General Fund	(\$251,797,500)	(\$189,287,500)	(\$209,522,500)	(\$235,362,500)
Other Special Revenue Funds	(\$13,252,500)	(\$9,962,500)	(\$11,027,500)	(\$12,387,500)

### Fiscal Detail and Notes

This bill reduces the individual income tax rate imposed on the lowest bracket of individual income from 5.8% to 4.5% for tax years beginning on or after January 1, 2023. It will reduce General Fund revenue by \$251,797,500 in fiscal year 2023-24 and \$189,287,500 in fiscal year 2024-25.

The bill includes a one-time General Fund appropriation to the Department of Administrative and Financial Services, Bureau of Revenue Services for administrative costs to implement the changes to the individual income tax.