



131st MAINE LEGISLATURE

LD 1900

LR 2209(01)

An Act to Establish a Tax Credit for Employers Who Employ Persons Recovering from Substance Use Disorder

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Brakey of Androscoggin

Committee: Taxation

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Net Cost (Savings)				
General Fund	\$0	\$132,084	\$152,673	\$162,076
Appropriations/Allocations				
General Fund	\$0	\$132,084	\$133,673	\$138,326
Revenue				
General Fund	\$0	\$0	(\$19,000)	(\$23,750)
Other Special Revenue Funds	\$0	\$0	(\$1,000)	(\$1,250)

Fiscal Detail and Notes

This bill establishes a tax credit for employers who employ persons recovering from substance use disorder. It will reduce General Fund revenue by \$19,100 in fiscal year 2024-25 and \$23,750 in fiscal year 2025-26. It will also reduce Local Government Fund revenue by \$1,000 in fiscal year 2024-25 and \$1,250 in fiscal year 2025-26.

The Department of Administrative and Financial Services, Bureau of Revenue Services will require ongoing General Fund appropriations of \$99,084 in fiscal year 2024-25 and \$133,673 in fiscal year 2025-26 for one Tax Examiner position beginning October 1, 2024 to verify applications, issue certificates and validate tax credits claimed. The bureau will also require a one-time appropriation of \$33,000 in fiscal year 2024-25 for programming costs to implement changes to income tax returns.

Any additional costs to the Department of Health and Human Services to implement the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources.