



131st MAINE LEGISLATURE

LD 2279

LR 3077(02)

An Act to Promote Equity in the Forest Products Industry by Allowing Commercial Wood Haulers to Be Eligible for Certain Sales Tax Exemptions and Refunds

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
Net Cost (Savings)				
General Fund	\$0	\$69,000	\$325,000	\$433,000
Appropriations/Allocations				
General Fund	\$0	\$4,000	\$0	\$0
Revenue				
General Fund	\$0	(\$65,000)	(\$325,000)	(\$433,000)
Other Special Revenue Funds	\$0	(\$2,000)	(\$17,000)	(\$22,000)

Fiscal Detail and Notes

Effective January 1, 2025, this bill adds vehicles and trailers for hauling wood to the list of purchases that qualify for the sales tax exemption and sales tax refund for commercial wood harvesting and also restricts the commercial wood harvesting sales tax exemption and refund to companies headquartered in the State. The net effect of these changes is a reduction in General Fund revenue of \$65,000 in fiscal year 2024-25 and a reduction in Local Government Fund revenue of \$2,000 in fiscal year 2024-25, as the revenue loss from making wood hauler purchases eligible for the sales tax exemption and refund more than offsets the revenue gain from restricting eligibility to companies headquartered in the State in each year.

The bill includes a one-time General Fund appropriation to the Department of Administrative and Financial Services, Bureau of Revenue Services of \$4,000 in fiscal year 2024-25 for programming costs to implement changes to the sales tax exemption and refund for commercial wood harvesting.