



132nd MAINE LEGISLATURE

LD 229

LR 424(04)

An Act to Bring Fairness in Income Taxes to Maine Families by Adjusting the Tax Brackets and Tax Rates

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$0	(\$70,685,280)	(\$18,815,000)	(\$13,502,250)
Appropriations/Allocations				
General Fund	\$0	\$193,270	\$19,299,000	\$25,918,000
Revenue				
General Fund	\$0	\$70,878,550	\$38,114,000	\$39,420,250
Other Special Revenue Funds	\$0	\$3,730,450	\$2,006,000	\$2,074,750

Fiscal Detail and Notes

The bill would result in a net increase in General Fund revenue of \$70,878,550 in fiscal year 2026-27, \$38,114,000 in fiscal year 2027-28 and \$39,420,250 in fiscal year 2028-29 from adjusting individual income tax rate brackets and increasing the top marginal tax rates for tax years beginning on or after January 1, 2026 as well as other changes to tax law. The bill would result in a revenue increase to the Local Government Fund of \$3,730,450 in fiscal year 2026-27, \$2,006,000 in fiscal year 2027-28 and \$2,074,750 in fiscal year 2028-29. The bill would increase General Fund costs beginning in fiscal year 2027-28 from increasing the homestead exemption by \$7,000 and provides an appropriation of \$193,270 in fiscal year 2026-27 for administrative costs of the Department of Administrative and Financial Services, Bureau of Revenue Services.