

**132nd MAINE LEGISLATURE****LD 1099****LR 1269(02)****An Act to Exempt Diapers from Sales Tax****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	\$1,284,000	\$3,124,000	\$3,311,000	\$3,509,000
Revenue				
General Fund	(\$1,284,000)	(\$3,124,000)	(\$3,311,000)	(\$3,509,000)
Other Special Revenue Funds	(\$53,000)	(\$164,000)	(\$173,000)	(\$184,000)

Fiscal Detail and Notes

This bill would result in a revenue decrease to the General Fund of \$1,284,000 in fiscal year 2025-26 and \$3,124,000 in fiscal year 2026-27 by providing sales tax exemptions on sales of disposable and reusable diapers, including diaper covers, wraps and diaper fasteners, that are marketed to be worn by adults or children effective January 1, 2026. The bill would also result in a revenue decrease to the Local Government Fund of \$53,000 in fiscal year 2025-26 and \$164,000 in fiscal year 2026-27.

Exempting diapers from sales tax may generate minor cost savings to the Department of Health and Human Services, Center for Disease Control, Special Supplemental Nutrition Program for Women, Infants and Children (WIC) program.