

**132nd MAINE LEGISLATURE****LD 1206****LR 1003(01)****An Act to Control Property Taxes by Increasing the Percentage of the Business Equipment Tax Exemption That Municipalities May Recover****Preliminary Fiscal Impact Statement for Original Bill****Sponsor: Sen. Tepler of Sagadahoc****Committee: Taxation****Fiscal Note Required: Yes**

Preliminary Fiscal Impact Statement

| | FY 2025-26 | FY 2026-27 | Projections FY 2027-28 | Projections FY 2028-29 |
|-----------------------------------|-------------------|-------------------|-----------------------------------|-----------------------------------|
| Net Cost (Savings) | | | | |
| General Fund | \$5,300 | \$5,209,000 | \$15,696,000 | \$22,174,000 |
| Appropriations/Allocations | | | | |
| General Fund | \$5,300 | \$0 | \$0 | \$0 |
| Revenue | | | | |
| General Fund | \$0 | (\$5,209,000) | (\$15,696,000) | (\$22,174,000) |

Fiscal Detail and Notes

This bill includes a revenue decrease to the General Fund of \$5,209,000 in fiscal year 2026-27 by increasing the percentage that municipalities may recover from tax revenue lost as the result of the Business Equipment Tax Exemption to 60% for property tax years beginning April 1, 2026, 70% beginning April 1, 2027, 75 beginning April 1, 2028, and 80% beginning on or after April 1, 2030.

Additionally, the Bureau of Revenue Services within the Department of Administrative and Financial Services will require a one-time General Fund appropriation of \$5,300 in fiscal year 2025-26 to fund computer programming costs associated with the provisions of this bill.