

**132nd MAINE LEGISLATURE****LD 1294****LR 1681(02)****An Act to Expand the Dependent Exemption Tax Credit****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	\$1,400	(\$546,250)	(\$863,550)	(\$1,538,050)
Appropriations/Allocations				
General Fund	\$31,800	\$0	\$0	\$0
Revenue				
General Fund	\$30,400	\$546,250	\$863,550	\$1,538,050
Other Special Revenue Funds	\$1,600	\$28,750	\$45,450	\$80,950

Fiscal Detail and Notes

This bill would result in a revenue increase to the General Fund of \$30,400 in fiscal year 2025-26 and \$546,250 in fiscal year 2026-27 by doubling the dependent exemption tax credit for a child or dependent who has not attained 6 years of age by the end of the tax year and phases out the refundability of the tax credit based on income; \$100,000 for single filers; \$125,000 for head of household filers; and \$150,000 for married joint or surviving spouse filers for tax years beginning on or after January 1, 2025. The bill would also result in a revenue increase to the Local Government Fund of \$1,600 in fiscal year 2025-26 and \$28,750 in fiscal year 2026-27.

Additionally, the bill includes a one-time General Fund appropriation to the Bureau of Revenue Services within the Department of Administrative and Financial Services of \$31,800 in fiscal year 2025-26 to fund computer programming costs associated with the provisions of this bill.