



132nd MAINE LEGISLATURE

LD 1330**LR 1733(02)**

An Act to Clarify That a Business's License or Subscription to Use Software Is Not Considered a Lease for the Purposes of Sales and Use 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	\$11,489,000	\$20,426,000	\$21,310,000	\$22,177,000
Revenue				
General Fund	(\$11,489,000)	(\$20,426,000)	(\$21,310,000)	(\$22,177,000)
Other Special Revenue Funds	(\$514,000)	(\$1,071,000)	(\$1,118,000)	(\$1,163,000)

Fiscal Detail and Notes

This bill would result in a revenue decrease to the General Fund of \$11,489,000 in fiscal year 2025-26 and \$20,426,000 in fiscal year 2026-27 by amending the definition of "lease or rental" to exclude leases, limited licenses, lifetime licenses, subscriptions or similar rights to use or access software when the lessee, licensee, subscriber or user is a business. The bill would also result in a revenue decrease to the Local Government Fund of \$514,000 in fiscal year 2025-26 and \$1,071,000 in fiscal year 2026-27.