

**132nd MAINE LEGISLATURE****LD 1555****LR 276(02)****An Act to Establish an Employer Tax Credit for Qualifying Child Care Costs****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	\$107,844	\$95,000	\$95,000
Appropriations/Allocations				
General Fund	\$0	\$12,844	\$0	\$0
Revenue				
General Fund	\$0	(\$95,000)	(\$95,000)	(\$95,000)
Other Special Revenue Funds	\$0	(\$5,000)	(\$5,000)	(\$5,000)

Legislative Cost/Study

The responsibilities outlined in this bill are already reflected in statutorily assigned work for Legislature's Office of Program Evaluation and Government Accountability in reviewing tax expenditures and will be absorbed within existing staff and budget resources beginning in 2030.

Fiscal Detail and Notes

This bill includes an ongoing revenue decrease to the General Fund of \$95,000 starting in fiscal year 2026-27 by establishing a nonrefundable employer tax credit for qualifying child care costs in an amount up to nine thousand dollars per employee and up to thirty-six thousand dollars per employer for tax years beginning on or after January 1, 2026. The bill also includes an ongoing revenue decrease to the Local Government Fund of \$5,000 starting 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 \$12,844 in fiscal year 2026-27 to fund computer programming costs associated with the provisions of this bill.