

**132nd MAINE LEGISLATURE****LD 1853****LR 1032(02)****An Act to Establish an Educational Tax Credit Program to Help Parents Pay for Nonpublic School Tuition and Fees****Fiscal Note for Bill as Amended by Committee Amendment " "****Committee: Taxation****Fiscal Note Required: Yes**

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**Fiscal Note**

	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>Projections FY 2027-28</b>	<b>Projections FY 2028-29</b>
<b>Net Cost (Savings)</b>				
General Fund	\$98,438	\$7,210,349	\$16,227,210	\$25,029,099
<b>Appropriations/Allocations</b>				
General Fund	\$98,438	\$142,349	\$134,210	\$139,099
<b>Revenue</b>				
General Fund	\$0	(\$7,068,000)	(\$16,093,000)	(\$24,890,000)
Other Special Revenue Funds	\$0	(\$372,000)	(\$847,000)	(\$1,310,000)

**Fiscal Detail and Notes**

This bill would result in a revenue decrease to the General Fund of \$7,068,000 in fiscal year 2026-27 by establishing an educational tax credit to help parents pay for school tuition. Qualified taxpayers must be residents along with their eligible students and the tax credit may not exceed the cost of tuition and fees paid by qualified taxpayers. The bill would also result in a revenue decrease to the Local Government Fund of \$372,000 in fiscal year 2026-27.

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. The bill also includes ongoing General Fund appropriations of \$98,438 in fiscal year 2025-26 and \$129,505 in fiscal year 2026-27 to the Department of Education for one Public Service Coordinator I position and related All Other costs to establish and administer the educational tax credit program.