



132nd MAINE LEGISLATURE

LD 1939

LR 1463(02)

An Act to Close Maine's Tax Loophole for Offshore Profit Shifting

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

Potential current biennium revenue impact - General Fund

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$0	\$627,612	\$729,695	\$756,893
Appropriations/Allocations				
General Fund	\$0	\$627,612	\$729,695	\$756,893

Fiscal Detail and Notes

The bill would replace the State’s current corporate income taxation of water’s edge income, inclusive of 50% of Global Intangible Low-Taxed Income (GILTI), with mandatory worldwide income reporting, using worldwide factors for income apportionment, for the corporations covered and is expected to have a modest impact on corporate income tax revenue, with likely outcomes ranging from a small revenue loss to a small revenue gain. To implement these tax changes, the bill provides a General Fund appropriation of \$627,612 in fiscal year 2026-27 to the Department of Administrative and Financial Services, Bureau of Revenue Services for administrative costs including: one new Tax Analyst, two new Tax Examiner positions, and two new Revenue Agent positions as well as funding for one-time computer programming costs.