

*Rep Benjamin Collings*

occurring after December 31, 2012, and before January 1, 2016, the exclusion is \$2,000,000 with a progressive rate structure of 8% for taxable estates between \$2 million and \$5 million, 10% for estates between \$5 million and \$8 million, and 12% for estates exceeding \$8 million. For deaths occurring after December 31, 2015 and before January 1, 2018, the exclusion is the same as the basic federal exclusion with the same rate structure applicable to taxable estates over the exclusion amount. The exclusion amount for deaths in 2018 is \$5,600,000 and is indexed annually for inflation.

**Estate Tax**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Total All Funds</b>
2009	\$31,819,188	\$31,819,188
2010	\$31,209,840	\$31,209,840
2011	\$49,323,494	\$49,323,494
2012	\$44,865,567	\$44,865,567
2013	\$79,083,058	\$79,083,058
2014	\$23,961,911	\$23,961,911
2015	\$31,196,286	\$31,196,286
2016	\$27,198,153	\$27,198,153
2017	\$11,717,686	\$11,717,686
2018	\$13,801,409	\$13,801,409

**Revenue Notes – Estate Tax**

Estate Tax collections accrue to the General Fund. The Estate Tax began year-end accruals at the end of fiscal year 2000.

**History – Estate Tax**

Adopted 1927. The current Maine estate tax was enacted in 1981 to replace the previous estate tax based on federal credit for state death taxes, beginning with deaths occurring after June 30, 1986. An additional inheritance tax was phased out between 1981 and 1986. Amended in PL 2001, c. 559, Part GG to calculate Maine estate tax under the formula in effect before federal reductions. Amended in PL 2003, c. 20, Part JJ to extend that treatment through 2004. Amended in PL 2003, c. 673, Part D to extend nonconformity with federal changes. PL 2011, c. 380, Part M increased the exclusions to \$2 million and established a progressive rate structure for estates of decedents dying after December 31, 2012. It provided conformance with federal law with respect to the treatment of qualified terminable interest property for estates of decedents dying on or after January 1, 2011, and clarified provisions related to nonresidents' estates. PL 2015, c. 267, Part I increased the exclusion amount to the federal exclusion amount for deaths occurring after December 31, 2015. PL 2017, c. 474 eliminated conformity with the federal exclusion amount and maintained the Maine exclusion amount at \$5,600,000 in 2018 and indexed in subsequent years.

**CIGARETTE TAX – 36 M.R.S.A. c.703 & 22 M.R.S.A. §1546**

The cigarette tax is imposed on all cigarettes held in Maine for retail sale. The rate of the tax is 100 mills per cigarette or \$2.00 per pack.

**Cigarette Tax**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Total All Funds</b>
2009	\$137,572,515	\$137,572,515
2010	\$137,799,791	\$137,799,791
2011	\$133,664,535	\$133,664,535
2012	\$129,862,329	\$129,862,329
2013	\$127,396,984	\$127,396,984
2014	\$124,412,320	\$124,412,320
2015	\$124,635,551	\$124,635,551
2016	\$129,337,807	\$129,337,807
2017	\$130,199,296	\$130,199,296
2018	\$119,145,911	\$119,145,911