

DATE: December 17, 2025
TO: Government Oversight Committee
FROM: OPEGA Tax Expenditure Review Team
RE: Proposed Parameters for Next Three Scheduled Tax Expenditure Evaluations

Today OPEGA is proposing parameters to be used in the next scheduled tax expenditure evaluations of:

- Deductions for interest and dividends on Maine state and local securities
- Maine Earned Income Tax Credit
- Credit for Affordable Housing

As set out in statute (3 MRS §999), before a tax expenditure evaluation can begin the GOC shall consider recommendations from OPEGA and then approve the following to be used for the purposes of the review:

1. The purposes, intent or goals of the tax expenditure;
2. The intended beneficiaries;
3. The evaluation objectives; and
4. The performance measures to be used.

Before final approval by the GOC, the committee is required to seek input from the policy committee and stakeholders.

The proposed parameters were posted publicly on 12.1.25 and emailed to the GOC, HED, and Taxation Committee ip-lists by December 3rd.

Today, the GOC is scheduled to receive public comment on the proposed parameters. After today's meeting, the GOC can solicit Taxation Committee input for final consideration at a meeting in January before voting on the parameters to be used in the reviews.

OPEGA staff are available to answer any questions the Committee may have on the proposed parameters.