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TO: Members, Government Oversight Committee  
FROM: Lucia Nixon, Director  
DATE: November 3, 2021  
RE: Annual review and adjustment of tax expenditure review category assignments and schedules

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The Government Oversight Committee, in consultation with the Taxation Committee, is required annually by statute (3 MRSA §998) to review and make any necessary adjustments to the review category assignments and schedule for evaluations of tax expenditures, including adjustments to incorporate tax expenditures enacted, amended or repealed in the preceding year of Legislative sessions.

To assist in the annual review and adjustment of the category assignments and schedule for tax expenditure evaluations to incorporate changes made during the Legislature in 2021, OPEGA has prepared the attached table. The GOC is invited to consider the proposed adjustments to the tax expenditure review category assignments and the schedules for future full evaluations and expedited reviews. The table is organized in the following 4 sections:

**1. Proposed adjustments review category assignments**

This section provides a summary of recommended changes to review category assignments based on legislative changes. For each proposed change, the table provides a brief description of the tax expenditure, revenue loss estimates for FY22 and FY23 and outlines the proposed adjustment. The proposed adjustments by category are as follows:

- Full Evaluation: add one newly enacted expenditure
- Expedited Review: Remove one repealed expenditure
- No Review: Add six newly enacted tax expenditures

**2. Full Evaluation by OPEGA (Category A)**

This section provides a list of the full evaluations that OPEGA has in progress, followed by the current approved prioritized schedule for future full evaluations to be completed. It also includes a list of completed full evaluations by year.

**3. Expedited Review by Tax Committee (Category B)**

This section provides a list of tax expenditures classified for expedited reviews organized by the 6-year cycle for reviews which is based on broad tax policy areas.

**4. No Review (Category C)**

This section provides a list of those expenditures assigned to category C, with no review.

## 1. Proposed adjustments to Review Category Assignments

Note: OPEGA reviewed the document "Enacted Tax Legislation - 2021 Session" prepared by the Maine Revenue Services to catalogue new, repealed or modified tax expenditures from statutory changes in 2021. The statutory changes that create or repeal tax expenditures are listed below. There were no modifications that indicate changes to the review category of any existing tax expenditures.

Expenditure Program Name	Brief Description	Tax policy goal	Revenue Loss Estimate	Revenue Loss Estimate	Statutory Cite:	Proposed adjustment
<b>Recommended changes to Category A - Full Evaluation by OPEGA</b>						
Income tax credit for paper manufacturing facility investment	Refundable income tax credit may be claimed by a paper manufacturer certified by DECD as a qualified applicant. Credit is 4% of applicant's investment.	Business Incentive - Targeted Industry	\$0 in FY21 \$793,000 in FY23	\$0 in FY22 \$1,520,000 in FY24	36 MRS 5219-YY	Enacted by PL 2021, c. 482 & 485 . <b>Proposal:</b> add to Category A.
<b>Recommended changes to Category B - Expedited Review by Taxation Committee</b>						
Net operating loss subtraction modification	Repealed net operating loss subtraction modification.	Conformity with IRC	unknown	unknown	36 MRS 5122(1)(LL) and (TT)	Repealed by PL 2021, c. 1 pt H, s1, 2, 5. <b>Proposal:</b> remove from Category B.
<b>Recommended changes to Category C - No Review</b>						
Sales tax exemption for menstrual products	Beginning October 1, 2021, sales of menstrual products will be exempt from sales tax.	Necessity of Life	unknown	unknown	36 MRS 1760(107)	Enacted by PL 2021, c 398, Pt H, s2. <b>Proposal:</b> add to Category C.
Sales tax exemption for area agencies on aging	Beginning January 1, 2022, sales to designated area agencies (or other identified agencies) will be exempt from the sales tax.	Charitable	\$25,650	\$62,700	36 MRS 1760(107)	Enacted by PL 2021, c. 399, s1 <b>Proposal:</b> add to Category C.
Sales tax exemption for nonprofit cemeteries	Beginning January 1, 2022, sales to a cemetery company that is exempt from federal income tax will be exempt from the sales tax.	Charitable	\$2,375	\$5,700	36 MRS 1760(107)	Enacted by PL 2021, c. 416, s1 <b>Proposal:</b> add to Category C.
Sales tax exemption for certain educational collaboratives	Beginning January 1, 2022, sales to an incorporated nonprofit collaborative whose members are regional school units (and meets other criteria) will be exempt from the sales tax.	Charitable	\$1,900	\$3,800	36 MRS 1760(107)	Enacted by PL 2021, c. 417 s1 <b>Proposal:</b> add to Category C.
Sales tax exemption for firearm safety devices	Beginning January 1, 2022, sales of a safe, lockbox, trigger lock or barrel lock that is specifically designed for securing firearms will be exempt from the sales tax.	Specific Policy Goal/Mandate	\$42,350	\$85,662	36 MRS 1760(107)	Enacted by PL 2021, c. 440 s1 <b>Proposal:</b> add to Category C.
Access to justice income tax credit	Enacted to encourage attorneys to practice law in underserved areas of Maine. Up to five eligible attorneys each year from 2022-2027 may be certified.	Specific Policy Goal/Mandate	\$0	\$24,062	36 MRS 5219-YY	Enacted by PL 2021, c. 473 <b>Proposal:</b> add to Category C.

## 2. Full Evaluation by OPEGA (Category A)

NOTE: The list below of future evaluations are grouped by broad tax policy goals and appear in priority order as set/endorsed by previous Committees.

ID #	Expenditure Program Name	Brief Description	Tax Type	Expenditure Type	FY22 Revenue Loss Estimate	FY23 Revenue Loss Estimate	Statutory Cite
<b>IN PROGRESS</b>							
6	Credit for Rehabilitation of Historic Properties (Progress: Scheduled to Present Report 11/10/21)	Income tax credit for expenditures in rehabilitation of certified historic properties, with limitations. Fiscal impact is expected to increase \$1.4 million in FY17 and perhaps more in future years as a result of recently enacted legislation. Tied to federal credit.	Income	Credit	\$8,950,000	\$9,200,000	36 MRS §5219-BB
3	Research Expense Tax Credit (Progress: In fieldwork)	Tax credit for qualified research expenses associated with certain technological and experimental research, with limitations. 15 year carry forward.	Income	Credit	\$1,650,000	\$2,180,000	36 MRS §5219-K
<b>FUTURE EVALUATIONS</b>							
<b>Policy group: Business Incentive - Targeted Industry</b>							
171	Shipbuilding Facility Credit	Nonrefundable income tax credit for 15 years (from tax years beginning on or after January 1, 2020) for major investments in a shipbuilding facility when criteria are met. Requires the credit to be reviewed by 2024 by OPEGA.	Income	Deduction	\$2,850,000	\$2,850,000	36 MRS §5219-RR
5	Tax Benefits for Media Production Companies	Tax credit (5% of nonwage production expenses, if >\$75,000) and reimbursement (12% of production wages) for certified productions of visual media production companies.	Income	Credit	\$150,000	\$150,000	36 MRS §5219-Y, 6902
185	Major Food Processing & Manufacturing Facilities Expansion Credit	Refundable income tax credit for construction or expansion of a qualifying food processing and manufacturing facility in Maine. Credit amount is equal to 1.8% of the taxpayer's qualified investment.	Income	Credit	\$0	\$1,111,500	36 MRS §5219-VV
14	Deduction for Contributions to Capital Construction Funds for maintenance or replacement of fishing vessels	Deduction for contributions to a capital construction fund for maintenance or replacement of fishing vessels.	Income	Deduction	\$520,000	\$520,000	36 MRS §5122.2.I

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ID #	Expenditure Program Name	Brief Description	Tax Type	Expenditure Type	FY22 Revenue Loss Estimate	FY23 Revenue Loss Estimate	Statutory Cite
193	(NEW) Income tax credit for paper manufacturing facility investment	Refundable income tax credit may be claimed by a paper manufacturer certified by DECD as a qualified applicant. Credit is 4% of applicant's investment.	Income	Credit	\$0	\$793,000	36 MRS 5219-YY
<b>Policy group: Non-business incentives (various)</b>							
16	Credit for Educational Opportunity	Tax credit for certain educational loan payments made by participants in the Job Creation Through Educational Opportunity Program and their employers; participants must be residents who remain in Maine after obtaining a degree here.	Income	Credit	\$41,500,000	\$47,900,000	36 MRS §5217-D
172	Employer credit for family and medical leave	Tax credit (for tax years beginning in 2018 and 2019) under the income tax and insurance premium tax equal to the federal credit for employer-paid family and medical leave. The credit is nonrefundable.	Income	Credit	\$40,000	\$0	36 MRS §5219-UU & 2536
19	Deduction for Interest and Dividends on Maine State and Local Securities - Individual Income Tax	Individual income tax deduction for interest or dividends on securities issued by the State and its political subdivisions.	Income	Deduction	\$45,000	\$40,000	36 MRS §5122.2.N
20	Deduction for Interest and Dividends on U.S., Maine State and Local Securities	Corporate income tax deduction for interest or dividends on securities issued by the State and its political subdivisions.	Income	Deduction	\$20,000 - \$100,000	\$20,000 - \$100,000	36 MRS §5200-A.2.A & §5200-A.2.K
18	Earned Income Credit	Tax credit equal a percentage of the federal earned income tax credit (EITC) received that year; EITC is a credit for individuals who have earned income under a certain limit. Note: The estimate is net of the transfer of TANF funds that partially offsets the General Fund loss. Without this transfer, the General Fund revenue loss would be approximately \$24.7 million in FY22 and FY23.	Income	Credit	\$16,630,000	\$16,630,000	36 MRS §5219-S

## 2. Full Evaluation by OPEGA (Category A)

NOTE: The list below of future evaluations are grouped by broad tax policy goals and appear in priority order as set/endorsed by previous Committees.

ID #	Expenditure Program Name	Brief Description	Tax Type	Expenditure Type	FY22 Revenue Loss Estimate	FY23 Revenue Loss Estimate	Statutory Cite
<b>Policy Group: Tax relief - individuals</b>							
37	Additional Standard Deduction for the Blind and Elderly	Additional \$1,550 standard deduction if single, or \$1,250 if married available to taxpayers who are blind beginning in tax year 2016.	Income	Deduction	\$10,400,000	\$10,900,000	36 MRS §5124-A
29	Income Tax Credit for Child & Dependent Care Expense	Tax credit for child and dependent care expenses in the amount of 25% of the federal tax credit; the credit doubles for expenses incurred for quality child care services. Max of \$500.	Income	Credit	\$4,150,000	\$4,150,000	36 MRS §5218
30	Deduction for Pension Income & IRA Distributions	Deduction for pension benefits received under employee retirement plans and taxable distributions from individual retirement accounts, up to \$10,000.	Income	Deduction	\$31,200,000	\$31,600,000	36 MRS §5122.2.M
31	Deduction for Social Security Benefits Taxable at Federal Level	Deduction for social security benefits and railroad retirement benefits.	Income	Deduction	\$110,200,000	\$119,600,000	36 MRS §5122.2.C
32	Property Tax Fairness Credit	Property tax credit for Maine residents based on a formula, not to exceed \$600 for those under 65 years of age, or \$900 for those over 65, with income limitations.	Property	Credit	\$35,350,000	\$35,350,000	36 MRS §5219-KK
27	Sales Tax Fairness Credit	Tax credit to provide sales tax relief to low and middle income families.	Income	Credit	\$23,800,000	\$23,500,000	36 MRS §5213-A & §5403.5

## 2. Full Evaluation by OPEGA (Category A)

NOTE: The list below of future evaluations are grouped by broad tax policy goals and appear in priority order as set/endorsed by previous Committees.

ID #	Expenditure Program Name	Brief Description	Tax Type	Expenditure Type	FY22 Revenue Loss Estimate	FY23 Revenue Loss Estimate	Statutory Cite
<b>Policy Group: Tax Relief - Targeted Industry</b>							
33	Railroad Track Materials	Tax exemption on sales of railroad track materials for installation on railroad lines within the State.	Sales & Use	Exemption	\$670,000	\$680,000	36 MRS §1760.52
34	Refund of Sales Tax on Purchases of Parts and Supplies for Windjammers	Refund of sales tax paid on purchases of parts and supplies for use for operation, repair or maintenance of a windjammer providing commercial cruises.	Sales & Use	Refund	\$50,000 - \$249,999	\$50,000 - \$249,999	36 MRS §2020
36	Certain Telecommunications Services	Tax exemption on sales of interstate and international telecommunications services.	Service Provider	Exemption	\$1,000,000 - \$2,999,999	\$1,000,000 - \$2,999,999	36 MRS §2557.33 & 2557.34
<b>Policy Group: Specific Policy Goal/Mandate</b>							
189	Credit for Affordable Housing	Taxpayer receiving a tax credit certificate from MSHA for an affordable housing project located in Maine, may claim a refundable tax credit for that taxable year. Credit is equal to either (1) the total federal low-income housing tax credit claimed under IRC section 42 using entire federal credit period for all buildings in a qualified Maine project, or (2) an amount equal to the lesser of \$500,000 or 50% of the qualified basis of an affordable housing project that incurs at least \$100K includable in eligible basis in construction or rehabilitation of an affordable housing project for which IRC section 42 is not claimed.	Income	Credit	\$8,645,000	\$9,500,000	36 MRS §5219-WW
154	Partial Cigarette Stamp Tax Exemption for Licensed Distributors	Allows licensed cigarette distributors to purchase cigarette stamps with a face value of \$2 at a discount of 1.15%. (General Fund)	Other	Exemption	\$1,347,621	\$1,320,665	36 MRS §4366-A.2
155	Air & Water Pollution Control Facilities	Tax exemption on sales of certified air and water pollution control facilities and parts or accessories, construction materials, and chemicals or supplies of these facilities.	Sales & Use	Exemption	\$500,000 - \$1,999,998	\$500,000 - \$1,999,998	36 MRS §1760.29 & §1760.30

## 2. Full Evaluation by OPEGA (Category A)

NOTE: The list below of future evaluations are grouped by broad tax policy goals and appear in priority order as set/endorsed by previous Committees.

ID #	Expenditure Program Name	Brief Description	Tax Type	Expenditure Type	FY22 Revenue Loss Estimate	FY23 Revenue Loss Estimate	Statutory Cite
<b>Policy Group: Administrative Burden</b>							
165	Sales Through Coin Operated Vending Machines	Tax exemption on sales of certain products through vending machines by retailers who make the majority of their sales via vending machines.	Sales & Use	Exemption	\$1,000,000	\$1,000,000	36 MRS §1760.34

### Full Evaluations Completed

Expenditure Program Name	Report year
New Markets Capital Investment Credit	2017
Pine Tree Development Zones	2017
Major Business Headquarters Expansion	2017*
Employment Tax Increment Financing	2019
Reimbursement For Business Equipment Tax Exemption to Municipalities (BETE)	2020
Reimbursement for Taxes Paid on Certain Business Property (BETR)	2020
Maine Capital Investment Credit	2020
Pine Tree Development Zones	2020*
Maine Seed Capital Tax Credit	2021

\*Limited scope review

### 3. Expedited Review by Tax Committee (Category B)

ID #	Status	Expenditure Program Name	Brief Description	Tax policy goal/rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
11	Cycle 1 - 2021	New Machinery for Experimental Research	Tax exemption on sales of machinery and equipment for certain research and development activities, and for biotechnology research.	Inputs to Tangible Products	\$50,000 - \$249,999	\$50,000 - \$249,999	§1760(32)
93	Cycle 1 - 2021	Itemized Deductions	Maine generally conforms to itemized deductions allowed by the U.S. Internal Revenue Code with some exceptions.	Conformity with IRC	\$8,100,000	\$8,250,000	§5125
94	Cycle 1 - 2021	Sum of All Other Conformity Provisions	Maine generally conforms to exclusions and deduction provisions in the U.S. Internal Revenue Code used to calculate federal adjusted gross income.	Conformity with IRC	\$862,850,000 - \$955,900,000	\$927,450,000 - \$1,020,500,000	§5102(1-D), §5162(2)
144	Cycle 1 - 2021	Products Used in Agricultural and Aquacultural Production & Bait	Tax exemption on sales of products used in aquaculture production and bait, commercial agriculture production, and animal agriculture.	Inputs to Tangible Products	\$9,120,000	\$9,210,000	§1760(7-A), §1760(7-B), §1760(7-C)
145	Cycle 1 - 2021	Fuel and Electricity Used in Manufacturing	Tax exemption on sales of fuel and electricity (95% of value) purchased for use at a manufacturing facility.	Inputs to Tangible	\$17,100,000	\$18,050,000	§1760(9-D)
146	Cycle 1 - 2021	Machinery & Equipment	Tax exemption on sales of machinery and equipment used in production of tangible personal property for consumption, or in generation of radio and television broadcast signals.	Inputs to Tangible Products	\$33,920,000	\$34,590,000	§1760(31)
147	Cycle 1 - 2021	Seedlings for Commercial Forestry Use	Tax exemption on sales of tree seedlings used in commercial forestry.	Inputs to Tangible	\$50,000 - \$249,999	\$50,000 - \$249,999	§1760(73)
148	Cycle 1 - 2021	Property Used in Manufacturing Production	Tax exemption on sales of tangible personal property that is used in the manufacturing production of tangible personal property for later sale or lease.	Inputs to Tangible Products	\$201,600,000	\$205,600,000	§1760(74)
149	Cycle 1 - 2021	Certain Sales of Electrical Energy	Tax exemption on sale or use of electrical energy, or water stored for generating electricity, to or by a wholly owned subsidiary by or to its parent corporation.	Inputs to Tangible Products	\$250,000 - \$999,999	\$250,000 - \$999,999	§1760(91)
150	Cycle 1 - 2021	Refund of Sales Tax on Certain Depreciable Machinery and Equipment	Refund of sales tax paid on electricity or depreciable machinery and equipment purchased for use in commercial agricultural or aquaculture production, fishing, or wood harvesting, or purchases of fuel for use in a commercial fishing vessel.	Inputs to Tangible Products	\$15,010,000	\$15,900,000	§2013
162	Cycle 1 - 2021	Non-Taxable Services	Services, other than specifically defined "Taxable Services," are not subject to Sales and Use Tax.	Non-Taxable Services	2.13 billion	\$2.19 billion	§1752(11), §1752(17-B)
176	Cycle 1 - 2021	Net operating loss subtraction modification	Creates a modification that reserves, for Maine tax purposes, the effects of the new federal limitation on the net operating loss deduction.	Conformity with IRC	no estimate in MSTER	no estimate in MSTER	§5200-A(2)(BB) reallocated to §5200-A(2)(GG)
177	Cycle 1 - 2021	Global intangible low-taxed income subtraction modification	Creates a modification in the amount of the global intangible low-taxed income deduction claiming in accordance with federal code.	Conformity with IRC	no estimate in MSTER	no estimate in MSTER	§5200-A(2)(EE)



### 3. Expedited Review by Tax Committee (Category B)

ID #	Status	Expenditure Program Name	Brief Description	Tax policy goal/rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
115	Cycle 1 - 2016 Cycle 2 - 2022	Grocery Staples	Tax exemption on sales of grocery staples, which are defined as food products ordinarily consumed for human nourishment.	Necessity of Life	\$194,450,000	\$200,280,000	§1760(3)
116	Cycle 1 - 2016 Cycle 2 - 2022	Prescription Drugs	Tax exemption on sales of prescription medicines for humans, excluding marijuana.	Necessity of Life	\$110,550,000	\$114,750,000	§1760(5)
117	Cycle 1 - 2016 Cycle 2 - 2022	Prosthetic or Orthotic Devices	Tax exemption on sales of devices to correct or alleviate physical incapacity for a particular individual, including prosthetic aids, hearing aids, eyeglasses, crutches and wheelchairs.	Necessity of Life	\$5,126,000	\$5,254,000	§1760(5-A)
118	Cycle 1 - 2016 Cycle 2 - 2022	Meals Served to Patients in Hospitals & Nursing Homes	Tax exemption on sales of meals to patients of state-licensed hospitals, nursing homes, and certain care facilities.	Necessity of Life	\$10,540,000	\$10,860,000	§1760(6)(B)
119	Cycle 1 - 2016 Cycle 2 - 2022	Fuels for Cooking & Heating Homes	Tax exemption on sales of coal, oil, wood and other fuels, except gas and electricity, used for cooking and heating in residential buildings.	Necessity of Life	\$40,830,000	\$41,650,000	§1760(9)
120	Cycle 1 - 2016 Cycle 2 - 2022	Certain Residential Electricity	Tax exemption on sale and delivery of: A. the first 750 kWh of residential electricity per month; B. off-peak residential electricity used for heating via electric thermal storage.	Necessity of Life	\$27,670,000	\$28,230,000	§1760(9-B)
121	Cycle 1 - 2016 Cycle 2 - 2022	Gas Used for Cooking & Heating in Residences	Tax exemption on sales of gas for use in cooking and heating in residential buildings other than hotels.	Necessity of Life	\$11,770,000	\$12,000,000	§1760(9-C)
122	Cycle 1 - 2016 Cycle 2 - 2022	Rental Charges for Living Quarters in Nursing Homes and Hospitals	Tax exemption on rental charges for living or sleeping quarters in state-licensed nursing homes and hospitals.	Necessity of Life	\$250,000 – \$999,999	\$250,000 – \$999,999	§1760(18)
123	Cycle 1 - 2016 Cycle 2 - 2022	Rental Charges on Continuous Residence for More Than 28 Days	Tax exemption on rental charges for residence for 28 days or more at a hotel, rooming house, or tourist or trailer camp under certain circumstances.	Necessity of Life	\$95,940,000	\$98,810,000	§1760(20)
124	Cycle 1 - 2016 Cycle 2 - 2022	Funeral Services	Tax exemption on sales of funeral services.	Necessity of Life	\$7,510,000	\$7,660,000	§1760(24)
125	Cycle 1 - 2016 Cycle 2 - 2022	Diabetic Supplies	Tax exemption on sales of equipment and supplies used in diabetes diagnosis or treatment.	Necessity of Life	\$1,000,000 - \$2,999,999	\$1,000,000 - \$2,999,999	§1760(33)
126	Cycle 1 - 2016 Cycle 2 - 2022	Water Used in Private Residences	Tax exemption on sales of water used in residential buildings, other than hotels.	Necessity of Life	\$13,350,000	\$13,690,000	§1760(39)
127	Cycle 1 - 2016 Cycle 2 - 2022	Positive Airway Pressure Equipment & Sales	Tax exemption on sale or lease of positive airway pressure equipment and supplies for personal use.	Necessity of Life	\$250,000 – \$999,999	\$250,000 – \$999,999	§1760(94)
96	Cycle 1 - 2017 Cycle 2 - 2023	Deduction for Active Duty Military Pay Earned Outside of Maine	Deduction for military pay earned for service performed outside the State.	Tax Fairness	\$910,000	\$930,000	§5122(2)(LL)
98	Cycle 1 - 2017 Cycle 2 - 2023	Exemptions of the Real Estate Transfer Tax	Real estate tax exemption for certain types of deeds, including deeds to property transferred to or by governmental entities, and certain transfers of property. (General Fund, H.O.M.E. Fund, Housing and Economic Recovery Fund)	Tax Fairness	\$20,460,000	\$21,220,000	§4641-C

### 3. Expedited Review by Tax Committee (Category B)

ID #	Status	Expenditure Program Name	Brief Description	Tax policy goal/rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
99	Cycle 1 - 2017 Cycle 2 - 2023	Refund of the Gasoline Tax for Off-Highway Use and for Certain Bus Companies	Gasoline Tax refund (except one cent per gallon) for taxes paid on gasoline used in certain off-highway vehicles or in buses primarily offering tax-exempt fares. This gasoline is additionally subjected to Use Tax. (Highway Fund)	Tax Fairness	\$227,000	\$227,000	§2908, §2909
100	Cycle 1 - 2017 Cycle 2 - 2023	Refund of the Special Fuel Tax for Off-Highway Use and for Certain Bus Companies	Special Fuel Tax refund (except one cent per gallon) for taxes paid on gasoline used in certain off-highway vehicles or in buses primarily offering tax-exempt fares. This gasoline is additionally subjected to Use Tax. (Highway Fund)	Tax Fairness	\$2,309,000	\$2,309,000	§3215, §3218
101	Cycle 1 - 2017 Cycle 2 - 2023	Certain Returnable Containers	Tax exemption on sales of returnable containers when sold with contents at retail, or when resold for refilling.	Tax Fairness	\$1,000,000 - \$2,999,999	\$1,000,000 - \$2,999,999	§1760(12)
102	Cycle 1 - 2017 Cycle 2 - 2023	Packaging Materials	Tax exemption on sales of packaging materials to businesses engaged in packaging, transporting, shipping, or servicing tangible property.	Tax Fairness	\$30,430,000	\$31,010,000	§1760(12-A)
103	Cycle 1 - 2017 Cycle 2 - 2023	Certain Loaner Vehicles	Tax exemption on use of a loaner vehicle provided by a new vehicle dealer to a service customer pursuant to warranty.	Tax Fairness	\$250,000 - \$999,999	\$250,000 - \$999,999	§1760(21-A)
104	Cycle 1 - 2017 Cycle 2 - 2023	Mobile & Modular Homes	Tax exemption on sales of used manufactured housing and sales of new manufactured housing excluding the cost of materials, up to 50% of the sale price.	Tax Fairness	\$4,200,000	\$4,300,000	§1760(40)
105	Cycle 1 - 2017 Cycle 2 - 2023	Certain Property Purchased Out of State	Tax exemption on sales of certain property purchased and used out of state, including automobiles, snowmobiles, ATVs, aircraft, and property brought into the state for use in a declared state disaster or emergency, subject to certain restrictions.	Tax Fairness	\$1,000,000 - \$2,999,999	\$1,000,000 - \$2,999,999	§1760(45)
106	Cycle 1 - 2017 Cycle 2 - 2023	Meals & Lodging Provided to Employees	Tax exemption on meals or lodging provided to employees at the place of employment when credited toward the wages of the employees.	Tax Fairness	\$50,000 - \$249,999	\$50,000 - \$249,999	§1760(75)
107	Cycle 1 - 2017 Cycle 2 - 2023	Trade-In Credits	Tax exemption on trade-in value for property including motor vehicles, watercraft, aircraft, trailers, truck campers, and other equipment, when traded toward the sale price of a similar item.	Tax Fairness	\$23,630,000	\$24,440,000	§1765
108	Cycle 1 - 2017 Cycle 2 - 2023	Motor Vehicle Fuel	Tax exemption on sales of motor fuels on which motor fuel taxes have been paid.	Tax Fairness	\$105,500,000	\$117,200,000	§1760(8)(A)
175	Cycle 1 - 2017 Cycle 2 - 2023	Dependent exemption tax credit	Creates a tax credit equal to \$300 for each qualifying child and dependent for whom the federal child tax credit was claimed for the same taxable year. The credit is nonrefundable. Applicable to tax years beginning on or after January 1, 2018.	Tax Fairness	no estimate in MSTER	no estimate in MSTER	§5219-SS

### 3. Expedited Review by Tax Committee (Category B)

ID #	Status	Expenditure Program Name	Brief Description	Tax policy goal/rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
41	Cycle 1 - 2018 Cycle 2 - 2024	Certain Veterans' Service Organizations	Sales to an organization that provides services to veterans and their families that is chartered under 36 United States Code, Subtitle II, Part B, and that is recognized as a veterans' service organization by the U.S. Department of Veterans Affairs.	Charitable	\$103,000	\$106,000	§1760(100)
42	Cycle 1 - 2018 Cycle 2 - 2024	Construction Contracts with Exempt Organizations	Tax exemption on sales of tangible personal property to contractors for incorporation in real property for sale to any sales tax exempt organization or government agency.	Charitable	\$1,250,000 - \$3,999,998	\$1,250,000 - \$3,999,998	§1760(61), §2557(31)
44	Cycle 1 - 2018 Cycle 2 - 2024	State and Local Government Exemption from the Gasoline Tax	Gasoline Tax exemption for sales to the State or any political subdivision of the State. (Highway Fund)	Charitable	\$838,000	\$838,000	§2903(4)(C)
45	Cycle 1 - 2018 Cycle 2 - 2024	State & Local Government Exemption from the Special Fuel Tax	Special Fuel Tax exemption for sales to the State or any political subdivision of the State. (Highway Fund)	Charitable	\$2,012,000	\$2,012,000	§3204-A(3)
47	Cycle 1 - 2018 Cycle 2 - 2024	Certain Sales by an Auxiliary Organization of the American Legion	Tax exemption on sales of meals and related items and services by a nonprofit auxiliary organization of the American Legion in connection with a fundraising event, under specified conditions.	Charitable	\$50,000 - \$249,999	\$50,000 - \$249,999	§1760(85)
48	Cycle 1 - 2018 Cycle 2 - 2024	Sales to the State & Political Subdivisions	Tax exemption on sales to the State or federal government or to any political subdivision, agency, or instrumentality of them.	Charitable	\$215,720,000 - \$217,719,999	\$223,230,000 - \$225,229,999	§1760(2), §2557(2)
50	Cycle 1 - 2018 Cycle 2 - 2024	Providing Meals for the Elderly	Tax exemption on sales of meals to nonprofit area agencies on aging to provide meals to the elderly.	Charitable	\$250,000 - \$999,999	\$250,000 - \$999,999	§1760(6)(C)
52	Cycle 1 - 2018 Cycle 2 - 2024	Meals Served by a Retirement Facility to its Residents	Tax exemption on sales of meals served by a retirement facility to its residents under specified conditions.	Charitable	\$250,000 - \$999,999	\$250,000 - \$999,999	§1760(6)(G)
68	Cycle 1 - 2018 Cycle 2 - 2024	Merchandise Donated from a Retailer's Inventory to Exempt Organizations	Sales tax exemption on donations of merchandise by a retailer to an organization from retailer's inventory (including that which has been returned to a retailer).	Charitable	\$50,000 - \$249,999	\$50,000 - \$249,999	§1864
69	Cycle 1 - 2018 Cycle 2 - 2024	Free Publications	Tax exemption on sales of publications purchased for distribution free of charge and sales of printed materials for inclusion in such publications.	Charitable	\$1,000,000 - \$2,999,999	\$1,000,000 - \$2,999,999	§1760(14-A)
91	Cycle 1 - 2018 Cycle 2 - 2024	Certain Sales by Civic, Religious or Fraternal Organizations	Sales of prepared food by a civic, religious or fraternal organization at a public or member-only event, except when alcoholic beverages are available for sale at the event.	Charitable	\$2,125,000	\$2,180,000	§1760(101)
156	Cycle 1 - 2018 Cycle 2 - 2024	Job Increment Financing Fund - Brunswick Naval Air Station	Reimbursement to SMCC and MRRA of income tax attributed to qualified employees (those receiving a designated level of wages, health and retirement benefits) at businesses in the Brunswick Naval Air Station Area.	Specific Policy Goal/Mandate	\$430,000	\$430,000	5 MRSA §13083 S-1

### 3. Expedited Review by Tax Committee (Category B)

ID #	Status	Expenditure Program Name	Brief Description	Tax policy goal/rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
157	Cycle 1 - 2018 Cycle 2 - 2024	Job Increment Financing Fund - Loring	Reimbursement to Loring Development Authority of income tax attributed to qualified employees (those receiving a designated level of wages, health and retirement benefits) at businesses in the former Loring Air Force Base area.	Specific Policy Goal/Mandate	\$480,000	\$480,000	5 MRSA Ch.383 Art. 1-C
193	Cycle 1 - 2018 Cycle 2 - 2024	nonprofit world-wide, charitable organizations	Sales tax exemption for a nonprofit community-based worldwide charitable organization that, using private funding, provides financial support to other nonprofit charitable organizations at the community level, including, but not limited to, food banks and homeless or domestic violence shelters, to improve health and education and strengthen financial stability.	Charitable - Other	\$205,500	\$211,600	36 MRS §1760(103) (Conflict)
49	Cycle 1 - 2019 Cycle 2 - 2025	Meals Served by Public or Private Schools	Tax exemption on sales of meals served by schools and school organizations to students and teachers.	Charitable	\$7,314,000	\$7,460,000	§1760(6)(A)
51	Cycle 1 - 2019 Cycle 2 - 2025	Meals Served by Youth Camps Licensed by DHHS	Tax exemption on sales of meals served by state-licensed youth camps.	Charitable	\$250,000 - \$999,999	\$250,000 - \$999,999	§1760(6)(F)
53	Cycle 1 - 2019 Cycle 2 - 2025	Sales to Hospitals, Research Centers, Churches and Schools	Tax exemption on sales to schools, churches, hospitals, certain nonprofit health and human service organizations, certain research organizations, and educational television and radio stations.	Charitable	\$6,000,000 or more	\$6,000,000 or more	§1760(16), §2557(3)
54	Cycle 1 - 2019 Cycle 2 - 2025	Sales to Certain Nonprofit Residential Child Caring Institutions	Tax exemption on sales to State-licensed private nonprofit residential child caring institutions.	Charitable	\$50,000 - \$299,998	\$50,000 - \$299,998	§1760(18-A), §2557(4)
55	Cycle 1 - 2019 Cycle 2 - 2025	Rental of Living Quarters at Schools	Tax exemption on rental charges for living quarters required for attendance at a school.	Charitable	\$7,900,000	\$7,900,000	§1760(19)
56	Cycle 1 - 2019 Cycle 2 - 2025	Sales to Ambulance Services & Fire Departments	Tax exemption on sales to nonprofit fire departments, ambulance services, and air ambulance services.	Charitable	\$250,000 - \$1,049,998	\$250,000 - \$1,049,998	§1760(26), §2557(5)
57	Cycle 1 - 2019 Cycle 2 - 2025	Sales to community mental health facilities, community adult developmental services facilities and community substance use disorder facilities	Tax exemption on sales to community mental health, adult developmental services and substance abuse services facilities.	Charitable	\$50,000 - \$299,998	\$50,000 - \$299,998	§1760(28), §2557(6)
58	Cycle 1 - 2019 Cycle 2 - 2025	Sales to Historical Societies & Museums	Tax exemption on sales to certain nonprofit memorial foundations, historical societies, and museums.	Charitable	\$50,000 - \$299,998	\$50,000 - \$299,998	§1760(42), §2557(8)
59	Cycle 1 - 2019 Cycle 2 - 2025	Sales to Child Care Facilities	Tax exemption on sales to licensed nonprofit nursery schools and day care centers.	Charitable	\$50,000 - \$299,998	\$50,000 - \$299,998	§1760(43), §2557(9)

### 3. Expedited Review by Tax Committee (Category B)

ID #	Status	Expenditure Program Name	Brief Description	Tax policy goal/rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
60	Cycle 1 - 2019 Cycle 2 - 2025	Sales to Emergency Shelters & Feeding Organizations	Tax exemption on sales to nonprofit organizations providing free temporary emergency shelter or food to underprivileged individuals.	Charitable	\$50,000 - \$299,998	\$50,000 - \$299,998	§1760(47-A), §2557(12)
61	Cycle 1 - 2019 Cycle 2 - 2025	Sales to Comm. Action Agencies; Child Abuse Councils; Child Advocacy Orgs.	Sales to nonprofit child abuse and neglect prevention councils, certain child advocacy organizations and community action agencies.	Charitable	\$300,000 - \$1,249,998	\$300,000 - \$1,249,998	§1760(49), §2557(13)
62	Cycle 1 - 2019 Cycle 2 - 2025	Sales to any Nonprofit Free Libraries	Tax exemption on sales to nonprofit government-funded free public lending libraries, and sales by the library or a nonprofit established to support the library.	Charitable	\$50,000 - \$299,998	\$50,000 - \$299,998	§1760(50), §2557(14)
63	Cycle 1 - 2019 Cycle 2 - 2025	Sales to Nonprofit Youth Athletic & Scouting Organizations	Tax exemption on sales to nonprofit youth organizations whose primary purpose is to provide athletic instruction, and nonprofit scouting organizations.	Charitable	\$300,000 - \$1,249,998	\$300,000 - \$1,249,998	§1760(56), §2557(18)
64	Cycle 1 - 2019 Cycle 2 - 2025	Sales by Schools & School-Sponsored Organizations	Tax exemption on sales by schools and school organizations, provided that sales benefit the school, organization, or a charitable purpose.	Charitable	\$250,000 - \$999,999	\$250,000 - \$999,999	§1760(64)
65	Cycle 1 - 2019 Cycle 2 - 2025	Sales to Nonprofit Home Construction Organizations	Tax exemption on sales to nonprofit organizations that construct low-cost housing for low-income people.	Charitable	\$50,000 - \$249,998	\$50,000 - \$298,998	§1760(67), §2557(23)
66	Cycle 1 - 2019 Cycle 2 - 2025	Sales to Nonprofit Housing Development Organizations	Tax exemption on sales to nonprofit organizations whose primary purpose is developing housing for low-income people.	Charitable	\$50,000 - \$249,998	\$50,000 - \$298,998	§1760(72), §2557(27)
90	Cycle 1 - 2019 Cycle 2 - 2025	Adaptive Equipment for Vehicles of Persons with Disabilities	Tax exemption on sales of adaptive equipment used to make a motor vehicle operable or accessible by a person with a disability.	Charitable	\$83,000	\$86,000	§1760(95)
191	Cycle 1 - 2019 Cycle 2 - 2025	Non-profit youth camps	Sales tax exemption for purchases by nonprofit youth camps as defined in Title 22, section 2491, subsection 16 that are licensed by the Department of Health and Human Services and receive an exemption from property tax under section 652, subsection 1.	Charitable - Youth	\$76,000	\$77,900	36 MRS §1760(103) (Conflict)
128	Cycle 1 - 2020 Cycle 2 - 2026	Gasoline Exported from the State	Gasoline Tax exemption for sales wholly for export from the State. (Highway Fund)	Interstate or Foreign Commerce	\$45,627,000	\$46,659,000	§2903(4)(A)
129	Cycle 1 - 2020 Cycle 2 - 2026	Special Fuel Exported from the State	Special Fuel Tax exemption for sales of distillates and low energy fuel to be exported from the State by a licensed supplier. (Highway Fund)	Interstate or Foreign Commerce	\$8,678,000	\$8,808,000	§3204-A(5)
130	Cycle 1 - 2020 Cycle 2 - 2026	Excise Tax Exemption on Jet or Turbo Jet Fuel - International Flights	Gasoline Tax exemption for gasoline used to propel jet engine aircraft on international flights. (State Transit, Aviation and Rail Fund)	Interstate or Foreign Commerce	\$139,000	\$142,000	§2903(4)(D)

### 3. Expedited Review by Tax Committee (Category B)

ID #	Status	Expenditure Program Name	Brief Description	Tax policy goal/rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
131	Cycle 1 - 2020 Cycle 2 - 2026	Ships' Stores	Tax exemption on sales of supplies and bunkering oil to ships engaged in interstate or foreign commerce.	Interstate or Foreign Commerce	\$250,000 - \$999,999	\$250,000 - \$999,999	§1760(4)
132	Cycle 1 - 2020 Cycle 2 - 2026	Certain Jet Fuel	Tax exemption on sales of fuel to propel jet engine aircraft.	Interstate or Foreign Commerce	\$3,640,000	\$3,680,000	§1760(8)(B)
133	Cycle 1 - 2020 Cycle 2 - 2026	Certain Vehicles Purchased or Leased by Nonresidents	Tax exemption on sale or lease of motor vehicles, semitrailers, aircraft, and camper trailers to nonresidents, if the vehicle is intended to be removed from the State immediately.	Interstate or Foreign Commerce	\$250,000 - \$999,999	\$250,000 - \$999,999	§1760(23-C)
134	Cycle 1 - 2020 Cycle 2 - 2026	Certain Vehicles Purchased or Leased by Qualifying Resident Businesses	Tax exemption on sale or lease of certain motor vehicles to a business if the vehicle is intended to be removed from the State immediately and for use exclusively in out of state business.	Interstate or Foreign Commerce	\$1,000,000	\$1,000,000	§1760(23-D)
135	Cycle 1 - 2020 Cycle 2 - 2026	Watercraft Purchased by Nonresidents	Tax exemption on sales to or use by a nonresident of watercraft or materials used in watercraft, subject to certain restrictions.	Interstate or Foreign Commerce	\$250,000 - \$999,999	\$250,000 - \$999,999	§1760(25)
136	Cycle 1 - 2020 Cycle 2 - 2026	Sales of Property Delivered Outside this State	Tax exemption on sales of tangible personal property delivered outside the State for use outside the State.	Interstate or Foreign Commerce	\$6,000,000 or more	\$6,000,000 or more	§1760(82)
137	Cycle 1 - 2020 Cycle 2 - 2026	Sales of Certain Printed Materials	Tax exemption on sales of printed advertising or promotional materials transported outside the State for use outside the State.	Interstate or Foreign Commerce	\$250,000 - \$999,999	\$250,000 - \$999,999	§1760(83)
138	Cycle 1 - 2020 Cycle 2 - 2026	Sales of Certain Aircraft	Tax exemption on sales or leases of aircraft that weight over 6,000 pounds, are propelled by turbine engine, or are in use by certain Federal Aviation Administration (FAA) classified operators.	Interstate or Foreign Commerce	\$50,000 - \$249,999	\$50,000 - \$249,999	§1760(88)
139	Cycle 1 - 2020 Cycle 2 - 2026	Sale, Use or Lease of Aircraft and Sales of Repair and Replacement Parts	Tax exemption on sales, use or leases of aircraft and sales of aircraft repair and replacement parts from July 1, 2011 to June 30, 2021.	Interstate or Foreign Commerce	\$250,000 - \$999,999	\$250,000 - \$999,999	§1760(88-A)
173	Cycle 1 - 2020 Cycle 2 - 2026	Property Used in Interstate Commerce	Tax exemption on sales of a vehicle, railroad car, aircraft or watercraft used in interstate or foreign commerce, subject to certain restrictions.	Interstate or Foreign Commerce	\$1,000,000 - \$2,999,999	\$1,000,000 - \$2,999,999	§1760(41) (Rep), §1760(41A) (Enact)

Sources: FY22 & 23 Revenue Loss estimates: Maine State Tax Expenditures Report 2022-2023. All other information: OPEGA analysis of Maine Revenue Services information and Maine Revised Statutes.

### 4. No Review (Category C)

ID #	Expenditure Program Name	Brief Description	Tax policy goal/Rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
12	Business Purchases of automobiles for the purpose of rentals for less than one year.	The sale, to a person engaged in the business of renting automobiles, of automobiles, integral parts of automobiles or accessories to automobiles, for rental or for use in an automobile rented for a period of less than one year. For the purposes of this subparagraph, "automobile" includes a pickup truck or van with a gross vehicle weight of less than 26,000 pounds. (This is an exemption by defining it as "not a retail sale".)	Business Incentive - Equipment Investment	\$0	\$0	\$1752(11)(B)(3)
15	Credit for Disability Income Protection Plans in the Workplace	Tax credit to employers for employees enrolled in disability income protection plans on or after January 1, 2017.	Non-Business Incentive	\$0 - \$50,000	\$0 - \$50,000	\$5219-00
17	Credit for Wellness Programs	Tax credit to employers with 20 or fewer employees for expenditures on wellness programs up to \$2,000.	Non-Business Incentive - Health & Safety	\$12,000	\$12,000	\$5219-FF
21	Dental Care Access Credit	Tax credit (not to exceed \$12,000 or \$15,000) for a limited number of licensed dentists (five or six) per year who agree to practice in underserved areas of the State for at least 5 years and are certified eligible by the State's Oral Health Program; credit ends in 2020, with certification ending in 2015.	Non-Business Incentive	\$111,000	\$166,000	5219-DD
22	Innovation Finance Credit	Refundable tax credit available to the Maine Public Employees Retirement System for capital losses sustained in the Innovation Finance Program administered by the Finance Authority of Maine, which encourages investment in venture capital funds for innovative Maine businesses. Ends in 2029. Per FAME, this has never been utilized.	Non-Business Incentive	\$0 - \$4,000,000*	\$0 - \$4,000,000*	5219-EE
23	Deduction for Affordable Housing	Deduction for income resulting from sale of certified multifamily affordable housing properties. Per MaineHousing, this has been used only three times since its enactment.	Non-Business Incentive	\$0 - \$50,000	\$0 - \$50,000	5122.2.Z
24	Primary Care Access Credit	Tax credit for outstanding student loans available to a limited number of primary care medical professionals who agree to practice in underserved areas of the state for at least 5 years, with limitations.	Non-Business Incentive	\$256,000	\$319,000	5219-LL (relocated from 5219-KK)
26	Credit for Modifications to Make Homes Accessible	Tax credit to individuals for a portion of the cost incurred in modifying a home to make it accessible for a person with a disability or physical hardship. Effective for tax years beginning on or after January 1, 2017.	Tax Relief - Individuals	\$6,000	\$6,000	5219-PP

### 4. No Review (Category C)

ID #	Expenditure Program Name	Brief Description	Tax policy goal/Rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
28	Adult Dependent Care Credit	Tax credit to individuals for a portion of adult dependent care expenses paid including expenses for adult day care, hospice services or respite care.	Tax Relief - Individuals	\$24,000	\$24,000	5218-A
38	Deduction for Holocaust Victim Settlement Payments	Deduction for settlement payments received by Holocaust victims.	Tax Relief	\$0 – \$10,000	\$0 – \$10,000	5122.2.O
39	Certain Veterans' Support Organizations	Sales tax and service provider tax exemption to incorporated nonprofit organizations providing direct supportive services to veterans with service-related post-traumatic stress disorder or traumatic brain injury.	Charitable	\$22,000 - \$71,999	\$22,000 - \$71,999	1760.98 & 2557.37
40	Nonprofit Library Collaboratives	Sales tax and service provider tax exemption for nonprofit collaboratives of academic, public, school and special libraries.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.99 & 2557.38
43	Sales of Certain Qualified Snowmobile Trail Grooming Equipment	Tax exemption on sales of snowmobile trail grooming equipment to incorporated snowmobile clubs.	Charitable	\$12,500	\$13,500	1760.90
46	Meals for Residents of Certain Nonprofit Congregate Housing Facilities	Tax exemption on sales of meals to residents of nonprofit church-affiliated congregate housing facilities for the lower-income elderly.	Charitable	\$0 - \$49,999	\$0 - \$49,999	1760.6.D
70	Automobiles Used in Driver Education Programs	Tax exemption on automobile sales to automobile dealers to equip and provide them to schools for driver education programs.	Charitable	\$0 - \$49,999	\$0 - \$49,999	1760.21
71	Automobiles Sold to Certain Disabled Veterans	Tax exemption on sales of automobiles to certain amputee and blind veterans.	Charitable	\$0 - \$49,999	\$0 - \$49,999	1760.22
72	Goods & Services for Seeing Eye Dogs	Tax exemption on sales of tangible personal property and taxable services for the care and maintenance of seeing eye dogs to aid any blind person.	Charitable	\$0 - \$49,999	\$0 - \$49,999	1760.35
73	Sales to Regional Planning Agencies	Tax exemption on sales to regional planning commissions and councils of government.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.37 & 2557.7
74	Sales to Church Affiliated Residential Homes	Tax exemption on sales to church affiliated nonprofit organizations operating a residential home for adults under charter by the Legislature.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.44 & 2557.10
75	Sales to Organ. that Provide Residential Facilities for Med. Patients	Tax exemption on sales to nonprofit organizations providing temporary residential accommodations to medical patients and their families.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.46 & 2557.11
76	Sales to Veterans' Memorial Cemetery Associations	Tax exemption on sales to nonprofit Veterans' Memorial Cemetery Associations.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.51 & 2557.15
77	Sales to Nonprofit Rescue Operations	Tax exemption on sales to nonprofit volunteer search and rescue organizations.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.53 & 2557.16



### 4. No Review (Category C)

ID #	Expenditure Program Name	Brief Description	Tax policy goal/Rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
78	Sales to Hospice Organizations	Tax exemption on sales to nonprofit hospice organizations.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.55 & 2557.17
79	Self-Help Literature on Alcoholism	Tax exemption on sales of self-help literature on alcoholism to alcoholics anonymous groups.	Charitable	\$0 - \$49,999	\$0 - \$49,999	1760.57
80	Portable Classrooms	Tax exemption on sales of tangible personal property to become part of a portable classroom for lease to a school.	Charitable	\$0 - \$49,999	\$0 - \$49,999	1760.58
81	Sales to Certain Nonprofit Educational Orgs.	Tax exemption on sales to State-funded nonprofit educational organizations providing decision making programs about drugs, alcohol and relationships at residential youth camps.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.59 & 2557.19
82	Sales to Nonprofit Animal Shelters	Tax exemption on sales to nonprofit animal shelters of tangible personal property used in the operation and maintenance of the shelter and animal care.	Charitable	\$0 - \$49,999	\$0 - \$49,999	1760.60
83	Sales to Certain Charitable Suppliers of Medical Equipment	Tax exemption on sales to nonprofit charitable organizations that lend medical supplies and equipment free of charge.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.62 & 2557.20
84	Sales to Orgs that Fulfill the Wishes of Children with Life-Threatening Diseases	Tax exemption on sales to nonprofit organizations whose sole purpose is to fulfill the wishes of children with life-threatening diseases.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.63 & 2557.21
85	Sales to Monasteries and Convents	Tax exemption on sales of tangible personal property to nonprofit monasteries and convents for use in their operation and maintenance.	Charitable	\$0 - \$49,999	\$0 - \$49,999	1760.65
86	Sales to Providers of Certain Support Systems for Single-Parent Families	Tax exemption on sales to nonprofit organizations providing support systems for single-parent families.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.66 & 2557.22
87	Sales to Orgs that Create & Maintain a Registry of Vietnam Veterans	Tax exemption on sales to nonprofit organizations whose sole purpose is to maintain a registry of Vietnam veterans.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.69 & 2557.24
88	Sales to Orgs that Provide Certain Services for Hearing-Impaired Persons	Tax exemption on sales to nonprofit organizations whose primary purpose is to promote understanding of hearing impairment and assist hearing-impaired persons.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.70 & 2557.25
89	Sales to Eye Banks	Tax exemption on sales to nonprofit organizations whose primary purpose is to medically evaluate and distribute eyes for transplantation, research, and education.	Charitable	\$0 - \$99,998	\$0 - \$99,998	1760.77 & 2557.28
110	Credit to Beneficiary for Accumulation Distribution	Tax credit to a beneficiary of a trust for tax already paid by the trust on the income (when distributed from the trust to the beneficiary).	Tax Fairness	\$0 - \$50,000	\$0 - \$50,000	5214-A
111	Refund of Excise Tax on Fuel Used in Piston Aircraft	Gasoline Tax refund (except four cents per gallon) for gasoline used in propelling piston engine aircraft. (State Transit, Aviation and Rail Fund)	Tax Fairness	\$20,000	\$20,000	2910

### 4. No Review (Category C)

ID #	Expenditure Program Name	Brief Description	Tax policy goal/Rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
112	Sales to State-Chartered Credit Unions	Tax exemption on sales to State-chartered credit unions.	Tax Fairness	\$0 - \$99,998	\$0 - \$99,998	1760.71 & 2557.26
113	Electricity Used for Net Billing	Tax exemption on sale or delivery of electricity to net energy billing customers for which no money is paid.	Tax Fairness	\$6,200,000	\$7,300,000	1760.80
114	Certain Vehicle Rentals	Tax exemption on rental of an automobile for less than one year when rental is to a service customer pursuant to a warranty and the rental fee is paid by the vehicle dealer or warrantor.	Tax Fairness	\$0 - \$49,999	\$0 - \$49,999	1760.92
140	Certain Aircraft Parts	Tax exemption on sale or use of aircraft parts used by a commercial airline under Federal Aviation Administration (FAA) regulations.	Interstate or Foreign	\$0 - \$49,999	\$0 - \$49,999	1760.76
141	Refund of Sales Tax on Goods Removed from the State	Refund of sales tax paid on business purchases of supplies and equipment withdrawn from inventory for use at a location in another taxing jurisdiction.	Interstate or Foreign Commerce	\$0 - \$49,999	\$0 - \$49,999	2012
142	Snowmobiles and All-terrain Vehicles Purchased by Nonresidents	Tax exemption on sales to a nonresident of snowmobiles or all-terrain vehicles.	Interstate or Foreign Commerce	\$0 - \$49,999	\$0 - \$49,999	1760.25-C
151	Fuel Oil for Burning Blueberry Land	Tax exemption on sales of fuel used to burn blueberry fields.	Inputs to Tangible	\$0 - \$49,999	\$0 - \$49,999	1760.9-A
152	Fuel Oil or Coal which becomes an Ingredient or Component Part	Tax exemption on sales of fuel oil or coal which becomes an ingredient or component part of tangible personal property for later sale.	Inputs to Tangible Products	\$0 - \$49,999	\$0 - \$49,999	1760.9-G
153	Sales of Certain Farm Animal Bedding & Hay	Tax exemption on sales of organic bedding materials for farm animals and hay.	Inputs to Tangible	\$0 - \$49,999	\$0 - \$49,999	1760.78
158	Animal Waste Storage Facility	Tax exemption on sales of materials used in construction, repair or maintenance of an animal waste storage facility, under specified conditions.	Specific Policy Goal/Mandate	\$0 - \$49,999	\$0 - \$49,999	1760.81
159	Sales to Centers for Innovation	Tax exemption on sales to centers for innovation, established by State law, which represent specific industry sectors with significant potential for growth and development.	Specific Policy Goal/Mandate	\$0 - \$99,998	\$0 - \$99,998	1760.84 & 2557.29
160	Plastic Bags Sold to Redemption Centers	Tax exemption on sales to a local redemption center of plastic bags used to sort, store or transport returnable beverage containers.	Specific Policy Goal/Mandate	\$42,000	\$43,000	1760.93
161	Fish Passage Facilities	Refund of sales or use tax paid on materials used in construction of fish passage facilities in dams, under specified conditions.	Specific Policy Goal/Mandate	\$0 - \$49,999	\$0 - \$49,999	2014
166	Certain Meals Served by Colleges to Employees of the College	Tax exemption on sales of meals served by a college to its employees if purchased with college-issued debit cards.	Administrative Burden	\$0 - 49,999	\$0 - 49,999	1760.6.E

### 4. No Review (Category C)

ID #	Expenditure Program Name	Brief Description	Tax policy goal/Rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
167	Casual Sales	Tax exemption on any casual sale, defined as an isolated transaction in which tangible personal property or a taxable service is sold other than in the ordinary course of repeated transactions by the person making the sale; e.g. at a yard sale.	Administrative Burden	\$1,000,000 - \$2,999,999	\$1,000,000 - \$2,999,999	1752.11.B(1)
168	Sales by Executors	Tax exemption on sales by a personal representative in the settlement of an estate.	Administrative Burden	\$0 - 49,999	\$0 - 49,999	1752.11.B(2)
169	Sales tax exemption for Paint Stewardship Program fee	Exempts from sales and use tax the fee imposed to fund the paint staewardship program. Effective December 1, 2018.	Administrative Burden	\$74,000	\$76,000	1752.14.B(12) conflict
170	Sales tax exemption for nonprofit heating assistance organizations	Exempts from sales and use tax organizations that have been determined by the US IRS to be exempt from taxation under §501(c)(3) of the federal Internal Revenue Code of 1986 and whose primary purpose is to provide residential heating assistance to low-income individuals. Effective October 1, 2018.	Charitable	\$500	\$500	1760.102 (conflict)
174	Sales tax exemption for certain support organizations for combat-injured veterans	Exempts from sales and use tax the service provider tax for incorporated nonprofit organizations organized for the primary purpose of operating a retreat in the State for combat-injured veterans and their families free of charge. Effective October 1, 2018.	Charitable	\$2,700	\$2,800	1760.103 & 2557.39
178	Cellular or wireless services supported by Federal universal support funds	Telephone services available to income-eligible Maine consumers and supported by federal universal service support funds are not subject to the service provider tax. Effective January 1, 2019.	Charitable	no estimate in MSTER	no estimate in MSTER	1752(14)(B) & 2551(15)(F)
179	Military annuity payments made to survivor	To the extent included in Federal AGI, annuity payments made to the survivor of a deceased member of the military who died as a result fo service in active or reserve components of the United States Army, Navt, Air Force, Marines or Coast Guard under a survivor benefit plan or reserve component survivor benefit plan pursuant to 10 U.S. Code Chapter 73 are exempt from Maine income tax.	Tax Relief	\$57,000	\$57,000	5122(2)(HH)
180	Family development account proceeds	Idividuals whose family income is below 200% of the proverty level may open a family development account in connection with an approved community development organization. Account balances and withdrawals are exempt from Maine individual income tax to the extent included in Federal AGI.	Tax Relief	\$0 - \$10,000	\$0 - \$10,000	10 MRSA §1077
181	Municipal property tax benefits for senior citizens	A municipality by ordinance, may adopt a program that permits claimants who are at least 60 years of age to earn benefits up to a maximum \$1000 by volunteering to provide services to the municipality. The amount of benefits received during the tax year are exempt from Maine individual income tax.	Tax Relief	\$0 - \$10,000	\$0 - \$10,000	5122(2)(EE)

### 4. No Review (Category C)

ID #	Expenditure Program Name	Brief Description	Tax policy goal/Rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
182	Deduction for gain on sales of eligible timberlands	A subtraction modification is allowed on the Maine individual income tax return equal to the applicable percentage of the gain from the sale of sustainably managed, eligible timberlands that is included in Federal AGI.	Tax Relief	\$345,000	\$395,000	5122(2)(U)
183	Student Loan Payment Subtraction Modification of AGI	A subtraction modification is allowed for a taxpayer who is a qualified health care employee and whose employer pays the employee's student loans directly to a lender.	Non-Business Incentive - Education	N/A	N/A	5122(2)(QQ) reallocated to 5122(2)(SS)
184	Sales tax exemption for watercraft by certain nonprofit transportation companies	Exemption if company operates pursuant to a written understanding with a municipality that the watercraft will be available at all times to transport emergency medical patients from an island to the mainland.	Charitable	Fiscal note says "very minor"		1760(26)(A)
186	ABLE Savings Account subtraction modification	for tax years beginning on or after Jan 1, 2020, earnings on funds held in qualified Achieving Better Life Experience (ABLE) accounts are deductible in calculating Maine taxable income.	Non-Business Incentive - Health & Safety	From Fiscal Note LD 1637 notes only minor decreases in GF revenue.	From Fiscal Note LD 1637 notes only minor decreases in GF revenue.	\$5122(2)(QQ)
187	FAME "COVID-19" Loan Guarantee Program deferred interest exemption	The FAME loan guarantee program enacted by PL 2019, c. 617, Pt. I §2 (10 MRSA §§1100-BB through 1100-GG) includes a subsection which makes deferred or cancelled interest exempt from all State taxes.	Tax Relief - Individuals	\$0	\$0	10 §1100-DD(6)
188	Credit for Biofuel Commercial Production	A taxpayer engaged in the production of biofuels in the State who has received certification is allowed a credit against the tax imposed on income from the production of biofuel in the amount of 5¢ per gallon of liquid biofuel or gaseous biofuel with a BTU equivalent to that of one gallon of gasoline that replaces the use of petroleum or liquid fuels derived from other fossil carbon sources. For tax years beginning on or after Jan 1, 2020 this credit is reinstated.	Business Incentive - Targeted Industry	\$0 - \$50,000	\$0 - \$50,000	36 MRS §5219-X(5)
190	Renewable Chemicals Tax Credit	Taxpayer engaged in production of renewable chemicals in Maine may claim a credit 8 cents per pound of renewable chemicals produced. Credit may only be used to reduce the Maine tax imposed on income derived from production of renewable chemicals. Includes employment restrictions on contractors hired or retained to harvest renewable biomass used in production of renewable chemicals.	Business Incentive - Targeted Industry	\$47,500	\$95,000	36 MRS § 5219-XX
192	Pet food assistance programs	Sales tax exemption for an incorporated nonprofit organization organized for the purpose of providing food or other supplies intended for pets at no charge to owners of those pets.	Charitable	\$5,400	\$5,550	36 MRS §1760(103) (Conflict)

### 4. No Review (Category C)

ID #	Expenditure Program Name	Brief Description	Tax policy goal/Rationale	FY22 Revenue Loss Estimate*	FY23 Revenue Loss Estimate*	Statutory Cite: Title 36 unless otherwise specified
194	(NEW) Sales tax exemption for menstrual products	Beginning October 1, 2021, sales of menstrual products will be exempt from sales tax.	Necessity of Life	unknown	unknown	36 MRS 1760(107)
195	(NEW) Sales tax exemption for area agencies on aging	Beginning January 1, 2022, sales to designated area agencies (or other identified agencies) will be exempt from the sales tax.	Charitable	\$25,650	\$62,700	36 MRS 1760(107)
196	(NEW) Sales tax exemption for nonprofit cemeteries	Beginning January 1, 2022, sales to a cemetery company that is exempt from federal income tax will be exempt from the sales tax.	Charitable	\$2,375	\$5,700	36 MRS 1760(107)
197	(NEW) Sales tax exemption for certain educational collaboratives	Beginning January 1, 2022, sales to an incorporated nonprofit collaborative whose members are regional school units (and meets other criteria) will be exempt from the sales tax.	Charitable	\$1,900	\$3,800	36 MRS 1760(107)
198	(NEW) Sales tax exemption for firearm safety devices	Beginning January 1, 2022, sales of a safe, lockbox, trigger lock or barrel lock that is specifically designed for securing firearms will be exempt from the sales tax.	Specific Policy Goal/Mandate	\$42,350	\$85,662	36 MRS 1760(107)
199	(NEW) Access to justice income tax credit	Enacted to encourage attorneys to practice law in underserved areas of Maine. Up to five eligible attorneys each year from 2022-2027 may be certified.	Specific Policy Goal/Mandate	\$0	\$24,062	36 MRS 5219-YY

**Sources:** FY22 & 23 Revenue Loss estimates: Maine State Tax Expenditures Report 2022-2023 (for new enactments, revenue loss estimates is from fiscal note). All other information: OPEGA analysis of Maine Revenue Services information and Maine Revised Statutes.