



125th MAINE LEGISLATURE

LD 1137

LR 896(01)

An Act To Conform Business Expense Deductions to Federal Law

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Knight of Livermore Falls

Committee: Taxation

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	\$5,723,097	\$1,532,916	(\$1,577,295)	(\$1,261,837)
Revenue				
General Fund	(\$5,723,097)	(\$1,532,916)	\$1,577,295	\$1,261,837
Other Special Revenue Funds	(\$301,216)	(\$80,680)	\$83,016	\$66,412

Fiscal Detail and Notes

Permitting businesses to claim business expense deductions for purchases to the same extent as permitted by federal law will reduce General Fund revenue and reduce revenue sharing in fiscal years 2011-12 and 2012-13. Beginning in fiscal year 2013-14, General Fund revenues will increase as well as revenue sharing owing to the smaller depreciation allowances that are anticipated to commence in that fiscal year.