



130th MAINE LEGISLATURE

LD 1626

LR 1341(03)

An Act Implementing the Recommendations of the Task Force on Changes to the Maine Indian Claims Settlement Implementing Act

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Judiciary

Fiscal Note Required: Yes

Fiscal Note

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)				
General Fund	\$0	\$44,650	\$218,000	\$201,400
Appropriations/Allocations				
General Fund	\$0	\$0	\$66,000	\$0
Other Special Revenue Funds	\$0	\$1,000	\$1,000	\$1,000
Revenue				
General Fund	\$0	(\$44,650)	(\$152,000)	(\$201,400)
Other Special Revenue Funds	\$0	(\$2,350)	(\$59,500)	(\$62,100)

Fiscal Detail and Notes

This bill exempts income earned and sales made by tribal members on Indian territory or trust land from income and sales taxes and will reduce General Fund revenue by \$44,650 in fiscal year 2022-23 and \$152,000 in fiscal year 2023-24. It reduces Local Government Fund revenue by \$2,350 in fiscal year 2022-23 and \$8,000 in fiscal year 2023-24. The bill creates the Maliseet Sales Tax Fund and the Penobscot Sales Tax Fund to collect and remit sales tax collected on Indian territory or tribal lands and provides baseline allocations of \$500 to each fund in fiscal year 2022-23. Blueberries grown on tribal lands and processed in the State are exempt from the blueberry tax, reducing revenue to the Wild Blueberry Commission of Maine by \$51,500 annually beginning in fiscal year 2023-24. The bill also exempts Indian territory and trust lands from property taxes and payments in lieu of taxes. This will reduce revenue to municipalities. No estimate of this loss can be made.

The Department of Administrative and Financial Services will require a one-time General Fund appropriation of \$66,000 in fiscal year 2023-24 for computer programming to add lines to the individual, fiduciary and corporate income tax returns.

The Maine Indian Tribal-State Commission will incur additional costs as a result of the requirements of this bill. While the Commission has sufficient budgeted resources to cover these costs in the current 2022-2023 biennium as a result of one-time funding included in PL 2021, c. 398, ongoing costs from the bill could require additional funding in the 2024-2025 biennium.