

**§998. Process for review of tax expenditures**

**1. Assignment of review categories.** By October 1, 2015, the committee, in consultation with the policy committee, shall assign each tax expenditure to one of the following review categories:

A. Full evaluation for tax expenditures that are intended to provide an incentive for specific behaviors, that provide a benefit to a specific group of beneficiaries or for which measurable goals can be identified; [PL 2015, c. 344, §4 (NEW).]

B. Expedited review for tax expenditures that are intended to implement broad tax policy goals that cannot be reasonably measured; and [PL 2015, c. 344, §4 (NEW).]

C. No review for tax expenditures with an impact on state revenue of less than \$50,000 or that otherwise do not warrant either a full evaluation or expedited review. [PL 2015, c. 344, §4 (NEW).]

[PL 2015, c. 344, §4 (NEW).]

**2. Schedule.** The committee, in consultation with the policy committee, shall establish a prioritized schedule of ongoing review of the tax expenditures assigned to the full evaluation and expedited review categories pursuant to subsection 1, paragraphs A and B. To the extent practicable, the committee shall group the review of tax expenditures with similar goals together. Beginning in 2024, when prioritizing ongoing review of tax expenditures assigned to the full evaluation category, the committee, in consultation with the policy committee, shall give priority to tax expenditures that are intended to provide an incentive to businesses over tax expenditures that are directed primarily toward individual tax relief and shall consider the impact of any statutory provisions regarding the expiration of a tax expenditure that may be the subject of legislation to extend the tax expenditure.

[PL 2023, c. 417, §2 (AMD).]

**3. Annual review of assignments and schedule.** By October 1st of each year, beginning in 2016, the committee, in consultation with the policy committee, shall review and make any necessary adjustments to the review category assignments and schedule pursuant to subsections 1 and 2, including adjustments needed to incorporate tax expenditures enacted, amended or repealed during the preceding year.

[PL 2015, c. 344, §4 (NEW).]

**4. Office responsibilities.** The office shall maintain a current record of the review category assignments and the schedule under this section.

[PL 2015, c. 344, §4 (NEW).]

**5. Policy committee meetings.** In order to perform its functions under this chapter, the policy committee may meet monthly or as often as is determined necessary by the chairs of the policy committee.

[PL 2023, c. 417, §3 (NEW).]

**6. Limited analysis projects.** Notwithstanding any provision of this chapter to the contrary, the policy committee may request the committee to approve up to 2 limited analysis projects related to legislation before the policy committee to be completed by the office during each regular legislative session. For the purposes of this section, "limited analysis project" means a limited review of a tax expenditure based on information readily available to the office that is intended to be completed and submitted to the committee and the policy committee within 30 days of approval by the committee.

[PL 2023, c. 417, §4 (NEW).]

**SECTION HISTORY**

PL 2015, c. 344, §4 (NEW). PL 2017, c. 266, §1 (AMD). PL 2023, c. 417, §§2-4 (AMD).

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