



129th MAINE LEGISLATURE

LD 1520

LR 1028(02)

An Act To Create and Sustain Jobs through Development of Cooperatives and Employee-owned Businesses

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	\$177,000	\$197,250	\$206,750	\$211,500
Appropriations/Allocations				
General Fund	\$177,000	\$50,000	\$50,000	\$50,000
Revenue				
General Fund	\$0	(\$147,250)	(\$156,750)	(\$161,500)
Other Special Revenue Funds	\$0	(\$7,750)	(\$8,250)	(\$8,500)

Fiscal Detail and Notes

The bill creates an income tax exclusion for employee stock ownership plans, eligible worker-owned cooperatives, consumer cooperatives and affordable housing cooperatives. It would result in a reduction in General Fund revenue of \$147,250 in fiscal year 2020-21 and a reduction in Local Government Fund revenue of \$7,750 in fiscal year 2020-21. The bill includes a one-time General Fund appropriation of \$77,000 in fiscal year 2019-20 to the Department of Administrative and Financial Services for computer programming to update income tax filing forms.

This bill also includes ongoing General Fund appropriations of \$100,000 in fiscal year 2019-20 and \$50,000 per year beginning in fiscal year 2020-21 to the Business Development program within the Department of Economic and Community Development to contract with a nonprofit economic development organization to develop and manage a Maine Employee Ownership Center to assist businesses in the transition to employee or cooperative ownership.