

BACKGROUND MATERIALS
ON
INDIVIDUAL, CORPORATE AND ESTATE TAX
PORTIONS OF GOVERNOR'S
FY18/19 BIENNIAL BUDGET

DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES

MAINE REVENUE SERVICES

OFFICE OF TAX POLICY

March 8, 2017

Maine Resident Income Tax in 2020, 2010 Law and Current Law
 Tax Year 2020 - Excluding Refundable Credits except the EITC and Child Care Credit

Expanded income	(1)	(2)	2010 Law			(7)	(8)	(9)	(10)	Families with an Income Tax Cut			(14)	(15)	(16)
			Individual Tax Liability (\$ MIL)	Percentage Distribution	Individual Tax Liability (\$ MIL)					Change in Tax Liability (\$ MIL)	Percent Tax Change	Average Tax Change			
-\$ Infinity <=	20881	141,782	\$3.2	0.2%	-\$2.4	-\$5.5	-174.5%	-\$39	2.5%	52,496	-\$5.5	-\$105	21	\$0.0	\$32
20881 <=	28797	70,891	\$11.3	0.6%	\$5.6	-\$5.7	-50.8%	-\$81	2.6%	39,709	-\$5.8	-\$145	322	\$0.0	\$90
28797 <=	38020	70,891	\$30.0	1.5%	\$19.7	-\$10.3	-34.3%	-\$145	4.6%	49,967	-\$10.4	-\$207	749	\$0.1	\$116
38020 <=	48330	70,891	\$58.2	2.8%	\$42.0	-\$16.2	-27.9%	-\$229	7.3%	53,453	-\$16.4	-\$307	1,661	\$0.2	\$106
48330 <=	61791	70,891	\$94.1	4.6%	\$69.2	-\$24.9	-26.5%	-\$351	11.2%	59,327	-\$25.2	-\$425	2,238	\$0.3	\$136
61791 <=	78177	70,890	\$144.5	7.1%	\$107.8	-\$36.7	-25.4%	-\$518	16.5%	64,672	-\$37.1	-\$574	2,103	\$0.4	\$187
78177 <=	103740	70,892	\$215.1	10.5%	\$164.0	-\$51.1	-23.7%	-\$720	23.0%	65,578	-\$51.9	-\$792	3,237	\$0.8	\$261
103740 <=	148515	70,890	\$363.5	17.8%	\$281.0	-\$82.5	-22.7%	-\$1,164	37.1%	66,710	-\$84.3	-\$1,263	3,283	\$1.8	\$541
148515 <= \$ Infinity		70,892	\$1,124.4	55.0%	\$1,135.0	\$10.7	0.9%	\$150	-4.8%	54,152	-\$93.0	-\$1,718	16,140	\$103.7	\$6,425
Totals		708,909	\$2,044.2	100.0%	\$1,821.9	-\$222.3	-10.9%	-\$314	100.0%	506,063	-\$329.6	-\$651	29,753	\$107.3	\$3,607

Top Decile Decomposition: 90-95, 95-99, and 99+ :		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
148515 <=	201412	35,447	\$294.9	14.4%	\$236.4	-\$58.5	-19.8%	-\$1,649	26.3%	33,755	-\$60.1	-\$1,779	1,398	\$1.6	\$1,141		
201412 <=	421619	28,357	\$424.7	20.8%	\$406.4	-\$18.3	-4.3%	-\$646	8.2%	20,236	-\$32.7	-\$1,615	7,904	\$14.4	\$1,818		
421619 <= \$ Infinity		7,088	\$404.9	19.8%	\$492.3	\$87.4	21.6%	\$12,336	-39.3%	161	-\$0.3	-\$1,874	6,838	\$87.7	\$12,830		

Department of Administrative and Financial Services
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Maine Resident Income Tax in 2020, Current Law and Budget Proposal

Tax Year 2020

(1)	(2)	(3)			(4)			(5)			(6)			(7)	(8)	(9)	(10)	(11)	(12)	(13)
		Individual Tax Liability (\$ MIL)	Percentage Distribution	Individual Tax Liability (\$ MIL)	Percentage Distribution	Individual Tax Liability (\$ MIL)	Percentage Distribution	Change in Tax Liability (\$ MIL)	Percent Tax Change	Average Tax Change	Share of Income tax cut (Percent)	Number of families.	Change in Tax Liability (\$ MIL)							
Families with an Income Tax Cut																				
<u>Expanded income</u>																				
-\$ Infinity <=	20881	141,782	-1.5%	-\$27.2	-1.5%	-\$34.8	-2.6%	-\$7.6	27.9%	-\$53	1.8%	34,537	-\$7.6	-\$219						
20881 <=	28797	70,891	-0.3%	-\$5.4	-0.8%	-\$11.3	-0.8%	-\$6.0	110.5%	-\$84	1.4%	37,355	-\$6.0	-\$159						
28797 <=	38020	70,891	0.7%	\$12.2	0.4%	\$5.4	0.4%	-\$6.8	-55.7%	-\$96	1.6%	47,942	-\$6.8	-\$142						
38020 <=	48330	70,891	2.1%	\$37.0	2.2%	\$29.7	2.2%	-\$7.3	-19.7%	-\$103	1.8%	52,012	-\$7.3	-\$141						
48330 <=	61791	70,891	3.8%	\$67.8	4.4%	\$59.2	4.4%	-\$8.6	-12.7%	-\$121	2.1%	55,850	-\$8.6	-\$154						
61791 <=	78177	70,890	6.1%	\$107.4	7.0%	\$95.4	7.0%	-\$12.0	-11.2%	-\$170	2.9%	58,490	-\$12.0	-\$206						
78177 <=	103740	70,892	9.2%	\$163.7	10.6%	\$143.4	10.6%	-\$20.3	-12.4%	-\$286	4.9%	66,206	-\$20.3	-\$306						
103740 <=	148515	70,890	15.9%	\$280.8	18.4%	\$248.9	18.4%	-\$31.9	-11.4%	-\$450	7.6%	69,229	-\$31.9	-\$461						
148515 <= \$ Infinity		70,892	64.1%	\$1,134.8	60.4%	\$817.7	60.4%	-\$317.1	-27.9%	-\$4,473	75.9%	70,353	-\$317.1	-\$4,507						
Totals		708,909	100.0%	\$1,771.2	100.0%	\$1,353.6	100.0%	-\$417.5	-23.6%	-\$589	100.0%	491,974	-\$417.5	-\$849						
Top Decile Decomposition: 90-95, 95-99, and 99+ :																				
148515 <=	201412	35,447	13.3%	\$236.3	15.3%	\$206.5	15.3%	-\$29.7	-12.6%	-\$838	7.1%	35,081	-\$29.7	-\$847						
201412 <=	421619	28,357	22.9%	\$406.3	23.5%	\$318.6	23.5%	-\$87.7	-21.6%	-\$3,091	21.0%	28,207	-\$87.7	-\$3,108						
421619 <= \$ Infinity		7,088	27.8%	\$492.3	21.6%	\$292.6	21.6%	-\$199.7	-40.6%	-\$28,177	47.8%	7,064	-\$199.7	-\$28,272						

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Maine Resident Income Tax Liability in 2020 - 2010 Law and Governor's FY 18/19 Biennial Budget Proposal

Tax Year 2020 - Excluding Refundable Credits except the EITC and Child Care Credit

(1)	(2)	Budget										(14)	(15)	(16)	
		2010 Law					Families with an Income Tax Cut								Families with an Income Tax Increase
Expanded income	Tax Families	Individual Tax Liability (\$ MIL)	Percentage Distribution	Individual Tax Liability (\$ MIL)	Percentage Distribution	Change in Tax Liability (\$ MIL)	Percent Tax Change	Average Tax Change	Share of income tax cut (percent)	Number of families	Change in Tax Liability (\$ MIL)	Average Tax Decrease	Number of families	Change in Tax Liability (\$ MIL)	Average Tax Increase
-\$ Infinity <=	20881	\$3.2	0.2%	-\$2.4	-0.2%	-\$5.5	-174.9%	-\$39	0.9%	52,498	-\$5.5	-\$106	20	\$0.0	\$33
20881 <=	28797	\$11.3	0.6%	\$5.4	0.4%	-\$5.9	-52.2%	-\$83	1.0%	39,717	-\$5.9	-\$149	317	\$0.0	\$88
28797 <=	38020	\$30.0	1.3%	\$18.9	1.3%	-\$11.1	-37.0%	-\$157	1.8%	50,040	-\$11.2	-\$223	674	\$0.1	\$118
38020 <=	48330	\$58.2	2.8%	\$38.7	2.7%	-\$19.5	-33.5%	-\$275	3.2%	54,002	-\$19.6	-\$363	1,099	\$0.1	\$105
48330 <=	61791	\$94.1	4.6%	\$62.8	4.4%	-\$31.4	-33.3%	-\$442	5.1%	60,114	-\$31.5	-\$525	1,443	\$0.2	\$132
61791 <=	78177	\$144.5	7.1%	\$96.5	6.7%	-\$48.0	-33.2%	-\$677	7.8%	65,314	-\$48.3	-\$739	1,459	\$0.3	\$196
78177 <=	103740	\$215.1	10.5%	\$144.2	10.1%	-\$70.9	-33.0%	-\$1,000	11.6%	66,827	-\$71.4	-\$1,068	1,983	\$0.5	\$269
103740 <=	148515	\$363.5	17.8%	\$249.5	17.4%	-\$114.1	-31.4%	-\$1,609	18.6%	68,017	-\$115.1	-\$1,693	1,963	\$1.1	\$545
148515 <= \$ Infinity	70,892	\$1,124.4	55.0%	\$818.3	57.2%	-\$306.1	-27.2%	-\$4,318	50.0%	68,722	-\$310.6	-\$4,520	1,553	\$4.5	\$2,896
Totals	708,909	\$2,044.2	100.0%	\$1,431.8	100.0%	-\$612.4	-30.0%	-\$864	100.0%	525,251	-\$619.2	-\$1,179	10,511	\$6.8	\$647

Top Decile Decomposition: 90-95, 95-99, and 99+.

148515 <=	201412	\$294.9	14.4%	\$206.8	14.4%	-\$88.0	-29.9%	-\$2,483	14.4%	34,458	-\$88.9	-\$2,581	695	\$0.9	\$1,291
201412 <=	421619	\$424.7	20.8%	\$318.8	22.3%	-\$105.8	-24.9%	-\$3,733	17.3%	27,480	-\$107.7	-\$3,921	657	\$1.9	\$2,886
421619 <= \$ Infinity	7,088	\$404.9	19.8%	\$292.6	20.4%	-\$112.2	-27.7%	-\$15,834	18.3%	6,785	-\$113.9	-\$16,792	201	\$1.7	\$8,488

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