



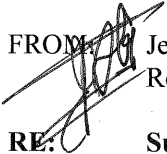
## STATE OF MAINE REVENUE FORECASTING COMMITTEE

### Members:

Jerome Gerard, Chair, Acting State Tax Assessor  
James Breece, University of Maine System  
Marc Cyr, Principal Analyst, Office of Fiscal and Program Review  
Michael LeVert, State Economist  
Grant Pennoyer, Director, Office of Fiscal and Program Review  
Ellen Jane Schneider, State Budget Officer

March 1, 2010

TO: Governor John Baldacci  
Members, 124<sup>th</sup> Legislature

FROM:  Jerome Gerard, Chair  
Revenue Forecasting Committee

RE: **Summary of March 2010 Revenue Forecast**

The Revenue Forecasting Committee (RFC) met on February 23, 2010 to review its December 1, 2009 revenue forecast and has revised its revenue projections through the fiscal year ending June 30, 2013 for the General Fund, Highway Fund and the Fund for a Healthy Maine to comply with the statutory March 1<sup>st</sup> reporting date. This letter with attachments represents a summary of the major findings and recommendations of the RFC. A more detailed report will be available later and posted to the RFC's web site as soon as it is completed.

This March 2010 update, which began with the Consensus Economic Forecasting Commission's (CEFC) update of the economic forecast, breaks a string of significant downward revenue revisions that reflected the deteriorating national economy. The CEFC's update resulted in very modest changes to the economic forecast with the most significant adjustments reflecting a partial reversal of the calendar year 2009 changes to Personal Income that was a result of revisions to data compiled by the federal Bureau of Economic Analysis. A copy of the February 2010 report of the CEFC is available on the web at:

[http://www.maine.gov/legis/ofpr/revenue\\_forecasting\\_committee/consensus\\_economic\\_forecast/feb2010.pdf](http://www.maine.gov/legis/ofpr/revenue_forecasting_committee/consensus_economic_forecast/feb2010.pdf)

The modest revisions to the CEFC's economic forecast produced insignificant changes in the revenue forecast. The normal historical relationship between the economic forecast and revenue performance has been altered during this recession as a result of the unprecedented reaction of the consumer. Maine Revenue Services' tax models have been unable to adequately capture consumer behavior despite recent additions of new economic variables to improve modeling of consumption patterns. Maine's sustained decline in taxable sales over the last 2 years has been unprecedented. The RFC and the CEFC have been meeting jointly and will continue to try to improve our forecasting processes, particularly in the area of consumer behavior.

*As with prior revenue forecasts in this recession, the RFC feels the need to express concern regarding the difficulty forecasting in this extremely volatile economic environment. While it appears the recession ended last summer and we are currently in the process of a slow economic recovery, most economists project that the recovery will shift into a mild, but sustained, economic expansion early next year. It is important to note, however, that the recovery remains fragile, and the weak recovery is highly susceptible to numerous risks both from within and outside the United States. The period between this forecast and the next RFC meeting later this calendar year will determine if the economy enters a new expansionary period or falters and returns to recession.*

The following tables and narratives along with the attachments highlight the changes to each of the major funds and revenue sources included in this December 2009 forecast of the RFC.

### General Fund Summary

	<b>FY09 Actual</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>
Current Forecast	\$2,811,368,295	\$2,649,211,742	\$2,721,503,989	\$2,776,628,302	\$2,889,913,034
Annual % Growth	-9.0%	-5.8%	2.7%	2.0%	4.1%
Net Increase (Decrease)		\$29,817,638	\$21,158,388	\$2,336,418	\$7,111,403
Revised Forecast	\$2,811,368,295	\$2,679,029,380	\$2,742,662,377	\$2,778,964,720	\$2,897,024,437
Annual % Growth	-9.0%	-4.7%	2.4%	1.3%	4.2%
<b>Summary of Revenue Revisions by Major Revenue Category</b>					
Sales and Use Tax		(\$13,814,276)	(\$16,994,778)	(\$19,111,598)	(\$20,938,394)
Individual Income Tax		\$13,400,000	\$2,000,000	(\$14,000,000)	(\$3,500,000)
Corporate Income Tax		\$29,672,794	\$36,678,367	\$35,897,336	\$32,397,422
Other Taxes and Fees		\$231,930	(\$499,178)	(\$1,232,505)	(\$1,511,772)
Fines, Forfeits and Penalties		\$651,875	\$240,000	\$240,000	\$240,000
Income from Investments		\$295,664	(\$577,445)	(\$577,445)	(\$577,445)
Transfer to Tax Relief Programs		(\$500,000)	\$0	\$0	\$0
Transfer to Municipal Rev. Sharing		(\$1,223,365)	(\$1,128,368)	(\$274,489)	(\$384,027)
Other Revenues		\$1,103,016	\$1,439,790	\$1,395,119	\$1,385,619
<b>Total Revisions - Increase (Decrease)</b>		<b>\$29,817,638</b>	<b>\$21,158,388</b>	<b>\$2,336,418</b>	<b>\$7,111,403</b>

<b>Other Taxes and Fees Detail:</b>					
- Prop. Tax - Unorganized Territory		(\$152,793)	(\$282,779)	(\$291,824)	(\$359,424)
- Liquor Taxes and Fees		(\$694,500)	(\$854,500)	(\$854,500)	(\$854,500)
- Finance Industry Fees		\$109,950	\$0	\$0	\$0
- Milk Handling Fee		\$595,773	\$375,476	(\$139,615)	(\$139,615)
- Parimutuel and Gaming Revenue		\$342,500	\$262,625	\$53,434	(\$158,233)
- Other Miscellaneous Taxes and Fees		\$31,000	\$0	\$0	\$0
<b>Other Revenue Detail:</b>					
- Liquor Sales and Operations		(\$580,511)	\$0	\$0	\$0
- Targeted Case Management (HHS)		\$464,371	\$0	\$0	\$0
- State Cost Allocation Program		\$27,625	\$47,521	\$0	\$0
- Tourism Transfer		\$14,725	\$6,650	\$9,500	\$0
- Other Miscellaneous Revenue		\$1,176,806	\$1,385,619	\$1,385,619	\$1,385,619

General Fund revenue estimates are being revised upward by \$29.8 million in FY10 and \$21.2 in FY11, resulting in total increase in budgeted revenue of \$51.0 million for the 2010-2011 biennium. The upward revisions to the forecast for the 2012-2013 biennium are much less and total only \$9.4 million. Although this forecast revises projections upward, the preceding forecasts have reduced General Fund budgeted revenue so significantly that the General Fund revenue projection for FY13 remains more than \$190 million below peak collections in FY08 and almost \$35 million below what was received in FY06.

The dominating revision in this General Fund forecast is the change to Corporate Income Tax projections. As the result of an unprecedented reduction in cost structure, business profitability has returned and with it corporate income tax receipts. The RFC now projects that corporate income tax revenues will be \$66.4 million higher in this biennium compared to the last revenue forecast. Without this category's significant upward revision, this forecast for General Fund revenue would have once again resulted in a net downward revision for the biennium.

While Individual Income Tax revenue is now projected to be higher during the current biennium by \$15.4 million, most of the upward revision occurs in FY10. Long-term projections are revised downward as a result of lower growth rates for Personal Income growth beginning in 2011, but primarily result from a change of assumptions that a higher percentage of the change of income will affect lower income tax payers.

Sales and Use Tax is being revised downward throughout the forecast period. The downward revisions in this category largely ignore the output of the sales and excise tax model and represent a manual adjustment to current fiscal year revenue projections to meet actual performance. The manual adjustments assume negative variances of approximately \$2 million per month for the remainder of the fiscal year. Despite best efforts to add new explanatory variables to the models, the sales and excise tax component of the tax model has been unable to capture recent consumer behavior. As noted earlier, the recent extended decline in taxable sales and the reaction of the consumer to this economic downturn is unprecedented.

The net changes to the major tax lines that affect revenue sharing transfers remain positive throughout the forecast period and as a result increase estimates for the amount of revenue sharing to be distributed to municipalities throughout the forecast period. An additional \$2.35 million is projected to be distributed during the current biennium.

Other net General Fund changes increase revenue projections by a total of \$2.4 million during the current biennium. The largest increases result from changes in fine revenue, milk handling fee revenue, Racino revenue and Department of Health and Human Services revenue. These increases were partially offset by decreases in Income from Investments, liquor-related revenue and Unorganized Territory property tax transfers as well as higher than projected payments for the Tax Relief Programs. Additional background information has been posted to the following web address:

[http://www.maine.gov/legis/ofpr/revenue\\_forecasting\\_committee/current/index.htm](http://www.maine.gov/legis/ofpr/revenue_forecasting_committee/current/index.htm)

## Highway Fund Summary

	<b>FY09 Actual</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>
Current Forecast	\$324,242,149	\$305,488,175	\$301,626,331	\$306,856,435	\$311,455,041
Annual % Growth	-1.2%	-5.8%	-1.3%	1.7%	1.5%
Net Increase (Decrease)		\$4,003,591	\$5,440,038	\$5,209,059	\$6,430,059
Revised Forecast	\$324,242,149	\$309,491,766	\$307,066,369	\$312,065,494	\$317,885,100
Annual % Growth	-1.2%	-4.5%	-0.8%	1.6%	1.9%
<b>Summary of Revenue Revisions by Major Revenue Category</b>					
Fuel Taxes		\$5,013,500	\$4,819,250	\$5,540,750	\$6,761,750
Motor Vehicle Registration & Fees		(\$1,000,000)	\$1,000,000	\$0	\$0
Inspection Fees		(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)
Fines, Forfeits and Penalties		\$0	\$0	\$0	\$0
Income from Investments		(\$31,292)	(\$46,691)	(\$46,691)	(\$46,691)
Other Revenues		\$171,383	(\$182,521)	(\$135,000)	(\$135,000)
<b>Total Revisions - Increase (Decrease)</b>		<b>\$4,003,591</b>	<b>\$5,440,038</b>	<b>\$5,209,059</b>	<b>\$6,430,059</b>

**Highway Fund** revenue estimates are revised upward by \$9.4 million for the 2010-2011 biennium, with \$4.0 million in FY10 and \$5.4 million in FY11. The forecast for the 2012-2013 biennium is also increased by \$11.6 million. With the exception of Fuel Taxes, there are modest net reductions from the other categories.

Much like the sales tax, the Fuel Tax forecast relies on the same sales and excise tax component of the tax model. For numerous possible reasons, this tax model component has had even greater difficulty capturing fuel tax consumption patterns. Some of the reasons include: a base year that reflected peak gas price consumption patterns with resulting conservation efforts; a potential floor on consumption due to the rural nature of the state and the lack of alternative transportation methods; and the potential increase in gasoline consumption from reduced fuel efficiency of the 10% ethanol-gasoline mix. During the December 2009 forecast, the RFC struggled with the significant diversion between actual revenue performance and the model outputs. At that time, the RFC decided to ignore the model changes for the gasoline portion of the forecast and accept the tax model's recommended changes in the special fuels (primarily diesel fuel) forecast. With the recent positive variances in the special fuels tax collections, the RFC decided to ignore all recent tax model recommendations for fuel taxes and revert back to the fuel tax forecast prior to the December 2009 revisions.

## Fund for a Healthy Maine Summary

	<b>FY09 Actual</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>
Current Forecast	\$68,409,736	\$59,398,770	\$56,433,315	\$62,835,233	\$63,455,718
Annual % Growth	10.3%	-13.2%	-5.0%	11.3%	1.0%
Net Increase (Decrease)		(\$6,807)	(\$9,779)	(\$14,856)	(\$109,354)
Revised Forecast	\$68,409,736	\$59,391,963	\$56,423,536	\$62,820,377	\$63,346,364
Annual % Growth	10.3%	-13.2%	-5.0%	11.3%	0.8%
<b>Summary of Revenue Revisions by Major Revenue Category</b>					
Racino Revenue		\$0	\$0	\$0	(\$92,222)
Income from Investments		(\$6,807)	(\$9,779)	(\$14,856)	(\$17,132)
<b>Total Revisions - Increase (Decrease)</b>		<b>(\$6,807)</b>	<b>(\$9,779)</b>	<b>(\$14,856)</b>	<b>(\$109,354)</b>

**The Fund for a Healthy Maine (FHM)** was not appreciably affected in this revenue forecast. With no additional information available regarding the tobacco settlement payments, the RFC chose not to make any adjustments to this primary revenue source of the FHM. The only adjustments reflect lower assumptions for rates of return on cash pool earnings that reduced the Income from Investments for each year of the forecast period. The only other change reflects lowered future growth assumptions for slot machine revenue from Hollywood Slots in Bangor, referred to as Racino Revenue. FHM's share of Racino Revenue is being reduced in FY13 only, due to a recent legislative change that capped the transfers from this revenue source in FY10, FY11 and FY12.

**Medicaid/MaineCare Dedicated Revenue Taxes Summary**

	<b>FY09 Actual</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>
Current Forecast	\$138,029,363	\$138,327,254	\$137,555,805	\$137,555,805	\$137,555,805
Annual % Growth	6.0%	0.2%	-0.6%	0.0%	0.0%
Net Increase (Decrease)		\$0	\$0	\$0	\$0
Revised Forecast	\$138,029,363	\$138,327,254	\$137,555,805	\$137,555,805	\$137,555,805
Annual % Growth	6.0%	0.2%	-0.6%	0.0%	0.0%

**Medicaid/MaineCare Dedicated Revenue Taxes** have been performing consistent with the December 2009 forecast in aggregate. As a result, the RFC chose to make no adjustments for the March 2010 forecast.

Attachments

- cc: Members, Revenue Forecasting Committee
- Members, Consensus Economic Forecasting Commission
- Jane Lincoln, Chief of Staff, Governor's Office
- Ryan Low, Commissioner, DAFS
- Millie MacFarland, Clerk of the House
- Joy O'Brien, Secretary of the Senate
- David Boulter, Executive Director, Legislative Council
- Legislative Staff Office Directors

## GENERAL FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2010

Source	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.	FY09 Budget	FY09 Variance	% Var.
Sales and Use Tax	896,576,322	-2.3%	946,174,276	5.5%	971,455,721	2.7%	983,057,278	1.2%	921,823,720	-6.2%	929,698,051	(7,874,331)	-0.8%
Service Provider Tax	44,645,517	N/A	47,028,430	5.3%	49,400,532	5.0%	52,100,664	5.5%	52,812,595	1.4%	53,452,742	(640,147)	-1.2%
Individual Income Tax	1,296,255,557	12.1%	1,364,368,543	5.3%	1,464,928,346	7.4%	1,558,032,961	6.4%	1,365,437,729	-12.4%	1,407,015,385	(41,577,656)	-3.0%
Corporate Income Tax	135,862,913	21.7%	188,015,558	38.4%	183,851,533	-2.2%	184,514,568	0.4%	143,085,966	-22.5%	148,940,000	(5,854,034)	-3.9%
Cigarette and Tobacco Tax	96,350,704	-0.3%	156,951,370	62.9%	158,953,466	1.3%	150,499,432	-5.3%	144,424,712	-4.0%	143,213,844	1,210,868	0.8%
Insurance Companies Tax	75,669,053	4.8%	76,065,864	0.5%	74,452,542	-2.1%	72,292,532	-2.9%	79,770,431	10.3%	71,978,985	7,791,446	10.8%
Estate Tax	32,255,727	0.6%	75,330,514	133.5%	54,820,038	-27.2%	39,890,577	-27.2%	31,819,188	-20.2%	34,335,010	(2,515,822)	-7.3%
Other Taxes and Fees *	137,247,024	8.7%	142,539,230	3.9%	143,921,436	1.0%	140,215,511	-2.6%	148,909,575	6.2%	146,706,453	2,203,122	1.5%
Fines, Forfeits and Penalties	35,506,972	-7.1%	37,781,055	6.4%	41,415,132	9.6%	44,465,534	7.4%	44,024,462	-1.0%	44,106,626	(82,164)	-0.2%
Income from Investments	5,854,625	153.4%	8,271,869	41.3%	1,215,836	-85.3%	1,074,143	-11.7%	1,100,129	2.4%	1,154,221	(54,092)	-4.7%
Transfer from Lottery Commission	49,328,102	19.5%	50,879,647	3.1%	50,624,741	-0.5%	49,491,086	-2.2%	49,839,434	0.7%	49,549,250	290,184	0.6%
Transfers to Tax Relief Programs *	(26,030,227)	N/A	(109,861,880)	-322.1%	(110,993,852)	-1.0%	(114,564,757)	-3.2%	(122,931,820)	-7.3%	(125,032,395)	2,100,575	-1.7%
Transfer to Municipal Rev. Sharing	(119,712,814)	-7.4%	(124,222,180)	-3.8%	(130,490,756)	-5.0%	(135,820,175)	-4.1%	(102,160,745)	24.8%	(103,412,337)	1,251,592	-1.2%
Other Revenue *	131,035,578	-34.6%	72,503,389	-44.7%	66,040,674	-8.9%	62,569,638	-5.3%	53,412,918	-14.6%	53,057,313	355,605	0.7%
<b>Total - General Fund Revenue</b>	<b>2,790,845,053</b>	<b>4.0%</b>	<b>2,931,825,687</b>	<b>5.1%</b>	<b>3,019,595,389</b>	<b>3.0%</b>	<b>3,087,818,992</b>	<b>2.3%</b>	<b>2,811,368,295</b>	<b>-9.0%</b>	<b>2,854,763,148</b>	<b>(43,394,853)</b>	<b>-1.5%</b>

\* Additional detail provided on pages 4, 5 and 6

## GENERAL FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2010

Source	FY10 Budget	% Chg.	Recom. Chg.	FY10 Revised	% Chg.	FY11 Budget	% Chg.	Recom. Chg.	FY11 Revised	% Chg.
Sales and Use Tax	897,654,270	-2.6%	(13,814,276)	883,839,994	-4.1%	921,771,840	2.7%	(16,994,778)	904,777,062	2.4%
Service Provider Tax	55,590,852	5.3%	0	55,590,852	5.3%	57,814,486	4.0%	0	57,814,486	4.0%
Individual Income Tax	1,277,980,000	-6.4%	13,400,000	1,291,380,000	-5.4%	1,314,040,000	2.8%	2,000,000	1,316,040,000	1.9%
Corporate Income Tax	118,045,922	-17.5%	29,672,794	147,718,716	3.2%	119,108,335	0.9%	36,678,367	155,786,702	5.5%
Cigarette and Tobacco Tax	140,139,902	-3.0%	0	140,139,902	-3.0%	137,744,579	-1.7%	0	137,744,579	-1.7%
Insurance Companies Tax	71,985,000	-9.8%	0	71,985,000	-9.8%	71,990,000	0.0%	0	71,990,000	0.0%
Estate Tax	29,593,253	-7.0%	0	29,593,253	-7.0%	31,739,004	7.3%	0	31,739,004	7.3%
Other Taxes and Fees *	148,576,900	-0.2%	231,930	148,808,830	-0.1%	143,878,351	-3.2%	(499,178)	143,379,173	-3.6%
Fines, Forfeits and Penalties	32,201,846	-26.9%	651,875	32,853,721	-25.4%	30,576,261	-5.0%	240,000	30,816,261	-6.2%
Income from Investments	(192,418)	-117.5%	295,664	103,246	-90.6%	852,490	543.0%	(577,445)	275,045	166.4%
Transfer from Lottery Commission	49,534,250	-0.6%	0	49,534,250	-0.6%	50,534,250	2.0%	0	50,534,250	2.0%
Transfers to Tax Relief Programs *	(112,059,862)	8.8%	(500,000)	(112,559,862)	8.4%	(112,587,945)	-0.5%	0	(112,587,945)	0.0%
Transfer to Municipal Rev. Sharing	(100,263,777)	1.9%	(1,223,365)	(101,487,142)	0.7%	(97,393,499)	2.9%	(1,128,368)	(98,521,867)	2.9%
Other Revenue *	40,425,604	-24.3%	1,103,016	41,528,620	-22.2%	51,435,837	27.2%	1,439,790	52,875,627	27.3%
<b>Total - General Fund Revenue</b>	<b>2,649,211,742</b>	<b>-5.8%</b>	<b>29,817,638</b>	<b>2,679,029,380</b>	<b>-4.7%</b>	<b>2,721,503,989</b>	<b>2.7%</b>	<b>21,158,388</b>	<b>2,742,662,377</b>	<b>2.4%</b>
								<b>50,976,026</b>		

\* Additional detail provided on pages 4, 5 and 6

## GENERAL FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2010

Source	FY12 Budget	% Chg.	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.
Sales and Use Tax	964,514,427	4.6%	(19,111,598)	945,402,829	4.5%	1,013,823,850	5.1%	(20,938,394)	992,885,456	5.0%
Service Provider Tax	59,555,680	3.0%	0	59,555,680	3.0%	61,840,807	3.8%	0	61,840,807	3.8%
Individual Income Tax	1,362,800,000	3.7%	(14,000,000)	1,348,800,000	2.5%	1,407,600,000	3.3%	(3,500,000)	1,404,100,000	4.1%
Corporate Income Tax	132,091,144	10.9%	35,897,336	167,988,480	7.8%	149,262,992	13.0%	32,397,422	181,660,414	8.1%
Cigarette and Tobacco Tax	134,901,044	-2.1%	0	134,901,044	-2.1%	132,580,387	-1.7%	0	132,580,387	-1.7%
Insurance Companies Tax	71,990,000	0.0%	0	71,990,000	0.0%	71,990,000	0.0%	0	71,990,000	0.0%
Estate Tax	36,478,327	14.9%	0	36,478,327	14.9%	41,232,832	13.0%	0	41,232,832	13.0%
Other Taxes and Fees *	143,044,267	-0.6%	(1,232,505)	141,811,762	-1.1%	143,690,032	0.5%	(1,511,772)	142,178,260	0.3%
Fines, Forfeits and Penalties	30,591,649	0.1%	240,000	30,831,649	0.0%	30,610,149	0.1%	240,000	30,850,149	0.1%
Income from Investments	852,490	0.0%	(577,445)	275,045	0.0%	852,490	0.0%	(577,445)	275,045	0.0%
Transfer from Lottery Commission	50,534,250	0.0%	0	50,534,250	0.0%	50,534,250	0.0%	0	50,534,250	0.0%
Transfers to Tax Relief Programs *	(127,484,977)	-13.2%	0	(127,484,977)	-13.2%	(124,682,298)	2.2%	0	(124,682,298)	2.2%
Transfer to Municipal Rev. Sharing	(128,126,240)	-31.6%	(274,489)	(128,400,729)	-30.3%	(134,230,534)	-4.8%	(384,027)	(134,614,561)	-4.8%
Other Revenue *	44,886,241	-12.7%	1,395,119	46,281,360	-12.5%	44,808,077	-0.2%	1,385,619	46,193,696	-0.2%
<b>Total - General Fund Revenue</b>	<b>2,776,628,302</b>	<b>2.0%</b>	<b>2,336,418</b>	<b>2,778,964,720</b>	<b>1.3%</b>	<b>2,889,913,034</b>	<b>4.1%</b>	<b>7,111,403</b>	<b>2,897,024,437</b>	<b>4.2%</b>
								<b>9,447,821</b>		

\* Additional detail provided on pages 4, 5 and 6



# GENERAL FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2010

Source	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.	FY09 Budget	FY09 Variance	% Var.
<b>Detail of Other Taxes and Fees:</b>													
- Prop. Tax - Unorganized Territory	10,622,666	-0.8%	11,559,305	8.8%	11,376,293	-1.6%	12,217,081	7.4%	12,633,755	3.4%	12,969,540	(335,785)	-2.6%
- Real Estate Transfer Tax	24,113,439	8.6%	24,595,580	2.0%	22,206,638	-9.7%	17,465,240	-21.4%	17,184,746	-1.6%	17,663,662	(478,916)	-2.7%
- Liquor Taxes and Fees	17,432,377	-0.3%	18,814,733	7.9%	20,283,406	7.8%	20,673,308	1.9%	20,844,377	0.8%	20,268,674	575,703	2.8%
- Corporation Fees & Licenses	6,884,833	52.1%	7,710,325	12.0%	7,935,294	2.9%	7,969,156	0.4%	7,931,072	-0.5%	8,451,771	(520,699)	-6.2%
- Public Utilities Tax	25,403,214	-9.2%	20,627,030	-18.8%	16,317,029	-20.9%	16,858,472	3.3%	19,536,483	15.9%	18,405,029	1,131,454	6.1%
- Finance Industry Fees	18,641,800	94.7%	20,471,110	9.8%	22,004,030	7.5%	23,638,820	7.4%	23,901,210	1.1%	22,983,550	917,660	4.0%
- Milk Handling Fee	0	N/A	1,867,527	N/A	2,561,972	37.2%	631,997	-75.3%	6,605,226	945.1%	6,610,817	(5,591)	-0.1%
- Parimutuel and Gaming Revenue	1,362,611	31.5%	5,262,230	286.2%	8,607,317	63.6%	8,384,464	-2.6%	8,730,346	4.1%	8,500,624	229,722	2.7%
- Boat, ATV and Snowmobile Fees	4,148,936	4.4%	3,477,043	-16.2%	4,162,079	19.7%	4,295,524	3.2%	4,262,523	-0.8%	3,711,323	551,200	14.9%
- Hunting and Fishing License Fees	16,691,165	-1.2%	16,840,079	0.9%	16,401,841	-2.6%	15,683,316	-4.4%	15,378,849	-1.9%	15,999,867	(621,018)	-3.9%
- Other Miscellaneous Taxes and Fees	11,945,985	0.3%	11,314,268	-5.3%	12,065,538	6.6%	12,398,134	2.8%	11,900,988	-4.0%	11,141,596	759,392	6.8%
Subtotal - Other Taxes and Fees	137,247,024	8.7%	142,539,230	3.9%	143,921,436	1.0%	140,215,511	-2.6%	148,909,575	6.2%	146,706,453	2,203,122	1.5%
<b>Detail of Other Revenue:</b>													
- Liquor Sales and Operations	49,845,027	-51.2%	2,560,044	-94.9%	4,440,935	73.5%	5,561,666	25.2%	6,220,864	11.9%	6,218,031	2,833	0.0%
- Targeted Case Management (HHS)	34,518,055	-0.7%	25,687,188	-25.6%	12,834,382	-50.0%	12,157,093	-5.3%	13,946,371	14.7%	14,491,922	(545,551)	-3.8%
- State Cost Allocation Program	12,891,574	23.5%	13,281,561	3.0%	15,428,622	16.2%	16,289,386	5.6%	16,104,670	-1.1%	16,298,039	(193,369)	-1.2%
- Unclaimed Property Transfer	10,000,000	-40.3%	14,880,517	48.8%	10,499,528	-29.4%	11,114,735	5.9%	13,212,409	18.9%	11,683,420	1,528,989	13.1%
- Tourism Transfer	(7,554,190)	-4.7%	(7,762,689)	-2.8%	(8,221,338)	-5.9%	(8,708,437)	-5.9%	(9,068,407)	-4.1%	(9,068,407)	0	0.0%
- Transfer to Maine Milk Pool	0	N/A	(2,616,160)	N/A	(10,158,802)	-288.3%	(1,078,425)	89.4%	(11,810,960)	-995.2%	(11,811,000)	40	0.0%
- Transfer to STAR Transportation Fund	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	0	0	N/A
- Other Miscellaneous Revenue	31,335,111	-28.0%	26,472,928	-15.5%	41,217,346	55.7%	27,233,620	-33.9%	24,807,971	-8.9%	25,245,308	(437,337)	-1.7%
Subtotal - Other Revenue	131,035,578	-34.6%	72,503,389	-44.7%	66,040,674	-8.9%	62,569,638	-5.3%	53,412,918	-14.6%	53,057,313	355,605	0.7%
<b>Detail of Transfers to Tax Relief Programs:</b>													
- Maine Resident Property Tax Program	(26,030,227)	N/A	(42,796,070)	-64.4%	(44,440,759)	-3.8%	(46,689,380)	-5.1%	(48,751,672)	-4.4%	(48,202,400)	(549,272)	98.8%
- BETR - Business Equipment Tax Reimb.	0	N/A	(67,065,810)	N/A	(66,553,092)	0.8%	(67,875,376)	-2.0%	(66,009,487)	2.7%	(68,559,334)	2,549,847	103.8%
- BETE - Municipal Bus. Equip. Tax Reimb.	0	N/A	0	N/A	0	N/A	0	N/A	(8,170,661)	N/A	(8,270,661)	100,000	N/A
Subtotal - Tax Relief Transfers	(26,030,227)	N/A	(109,861,880)	-322.1%	(110,993,852)	-1.0%	(114,564,757)	-3.2%	(122,931,820)	-7.3%	(125,032,395)	2,100,575	101.8%
IF&W Total Revenue ***	21,817,659	-0.4%	21,530,955	-1.3%	21,663,828	0.6%	20,965,692	-3.2%	20,579,500	-1.8%	21,015,834	(436,334)	-102.1%

\*\*\* IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.

# GENERAL FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2010

Source	FY10 Budget	% Chg.	Recom. Chg.	FY10 Revised	% Chg.	FY11 Budget	% Chg.	Recom. Chg.	FY11 Revised	% Chg.
<b>* Detail of Other Taxes and Fees:</b>										
- Prop. Tax - Unorganized Territory	14,758,721	16.8%	(152,793)	14,605,928	15.6%	13,528,060	-8.3%	(282,779)	13,245,281	-9.3%
- Real Estate Transfer Tax	13,148,078	-23.5%	0	13,148,078	-23.5%	14,922,365	13.5%	0	14,922,365	13.5%
- Liquor Taxes and Fees	21,161,411	1.5%	(694,500)	20,466,911	-1.8%	21,253,693	0.4%	(854,500)	20,399,193	-0.3%
- Corporation Fees & Licenses	7,505,099	-5.4%	0	7,505,099	-5.4%	7,505,099	0.0%	0	7,505,099	0.0%
- Public Utilities Tax	16,996,988	-13.0%	0	16,996,988	-13.0%	16,775,988	-1.3%	0	16,775,988	-1.3%
- Finance Industry Fees	22,365,980	-6.4%	109,950	22,475,930	-6.0%	22,365,980	0.0%	0	22,365,980	-0.5%
- Milk Handling Fee	9,748,632	47.6%	595,773	10,344,405	56.6%	3,473,499	-64.4%	375,476	3,848,975	-62.8%
- Parimutuel and Gaming Revenue	10,076,879	15.4%	342,500	10,419,379	19.3%	10,592,965	5.1%	262,625	10,855,590	4.2%
- Boat, ATV and Snowmobile Fees	4,098,040	-3.9%	0	4,098,040	-3.9%	4,500,295	9.8%	0	4,500,295	9.8%
- Hunting and Fishing License Fees	17,042,965	10.8%	0	17,042,965	10.8%	17,420,998	2.2%	0	17,420,998	2.2%
- Other Miscellaneous Taxes and Fees	11,674,107	-1.9%	31,000	11,705,107	-1.6%	11,539,409	-1.2%	0	11,539,409	-1.4%
Subtotal - Other Taxes and Fees	148,576,900	-0.2%	231,930	148,808,830	-0.1%	143,878,351	-3.2%	(499,178)	143,379,173	-3.6%
<b>** Detail of Other Revenue:</b>										
- Liquor Sales and Operations	7,364,611	18.4%	(580,511)	6,784,100	9.1%	7,391,759	0.4%	0	7,391,759	9.0%
- Targeted Case Management (HHS)	20,030,976	43.6%	464,371	20,495,347	47.0%	18,097,695	-9.7%	0	18,097,695	-11.7%
- State Cost Allocation Program	15,599,389	-3.1%	27,625	15,627,014	-3.0%	16,533,703	6.0%	47,521	16,581,224	6.1%
- Unclaimed Property Transfer	2,333,420	-82.3%	0	2,333,420	-82.3%	2,333,420	0.0%	0	2,333,420	0.0%
- Tourism Transfer	(9,022,023)	0.5%	14,725	(9,007,298)	0.7%	(8,979,400)	0.5%	6,650	(8,972,750)	0.4%
- Transfer to Maine Milk Pool	(13,349,600)	-13.0%	0	(13,349,600)	-13.0%	(4,011,691)	69.9%	0	(4,011,691)	69.9%
- Transfer to STAR Transportation Fund	(3,134,861)	N/A	0	(3,134,861)	N/A	(2,946,769)	6.0%	0	(2,946,769)	6.0%
- Other Miscellaneous Revenue	20,603,692	-16.9%	1,176,806	21,780,498	-12.2%	23,017,120	11.7%	1,385,619	24,402,739	12.0%
Subtotal - Other Revenue	40,425,604	-24.3%	1,103,016	41,528,620	-22.2%	51,435,837	27.2%	1,439,790	52,875,627	27.3%
<b>Detail of Transfers to Tax Relief Programs:</b>										
- Maine Resident Property Tax Program	(40,500,000)	16.9%	0	(40,500,000)	16.9%	(43,500,000)	-7.4%	0	(43,500,000)	-7.4%
- BETR - Business Equipment Tax Reimb.	(56,588,138)	14.3%	(1,000,000)	(57,588,138)	12.8%	(51,543,140)	8.9%	0	(51,543,140)	10.5%
- BETE - Municipal Bus. Equip. Tax Reimb.	(14,971,724)	-83.2%	500,000	(14,471,724)	-77.1%	(17,544,805)	-17.2%	0	(17,544,805)	-21.2%
Subtotal - Tax Relief Transfers	(112,059,862)	8.8%	(500,000)	(112,559,862)	8.4%	(112,587,945)	-0.5%	0	(112,587,945)	0.0%
IF&W Total Revenue ***	22,189,917	7.8%	0	22,189,917	7.8%	23,061,115	3.9%	0	23,061,115	3.9%

\*\*\* IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.

# GENERAL FUND REVENUE

## REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2010

Source	FY12 Budget	% Chg.	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.
<b>* Detail of Other Taxes and Fees:</b>										
- Prop. Tax - Unorganized Territory	13,992,181	3.4%	(291,824)	13,700,357	3.4%	14,473,531	3.4%	(359,424)	14,114,107	3.0%
- Real Estate Transfer Tax	13,723,377	-8.0%	0	13,723,377	-8.0%	15,245,148	11.1%	0	15,245,148	11.1%
- Liquor Taxes and Fees	21,218,857	-0.2%	(854,500)	20,364,357	-0.2%	21,252,566	0.2%	(854,500)	20,398,066	0.2%
- Corporation Fees & Licenses	7,505,099	0.0%	0	7,505,099	0.0%	7,505,099	0.0%	0	7,505,099	0.0%
- Public Utilities Tax	16,014,397	-4.5%	0	16,014,397	-4.5%	15,251,807	-4.8%	0	15,251,807	-4.8%
- Finance Industry Fees	22,365,980	0.0%	0	22,365,980	0.0%	22,365,980	0.0%	0	22,365,980	0.0%
- Milk Handling Fee	3,519,203	1.3%	(139,615)	3,379,588	-12.2%	3,519,203	0.0%	(139,615)	3,379,588	0.0%
- Parimutuel and Gaming Revenue	11,248,605	6.2%	53,434	11,302,039	4.1%	10,606,730	-5.7%	(158,233)	10,448,497	-7.6%
- Boat, ATV and Snowmobile Fees	4,500,295	0.0%	0	4,500,295	0.0%	4,500,295	0.0%	0	4,500,295	0.0%
- Hunting and Fishing License Fees	17,420,998	0.0%	0	17,420,998	0.0%	17,420,998	0.0%	0	17,420,998	0.0%
- Other Miscellaneous Taxes and Fees	11,535,275	0.0%	0	11,535,275	0.0%	11,548,675	0.1%	0	11,548,675	0.1%
Subtotal - Other Taxes and Fees	143,044,267		(1,232,505)	141,811,762	-1.1%	143,690,032	0.5%	(1,511,772)	142,178,260	0.3%
<b>** Detail of Other Revenue:</b>										
- Liquor Sales and Operations	7,691,759	4.1%	0	7,691,759	4.1%	7,891,759	2.6%	0	7,891,759	2.6%
- Targeted Case Management (HHS)	16,851,418	-6.9%	0	16,851,418	-6.9%	16,851,418	0.0%	0	16,851,418	0.0%
- State Cost Allocation Program	16,533,703	0.0%	0	16,533,703	-0.3%	16,533,703	0.0%	0	16,533,703	0.0%
- Unclaimed Property Transfer	2,333,420	0.0%	0	2,333,420	0.0%	2,333,420	0.0%	0	2,333,420	0.0%
- Tourism Transfer	(9,099,575)	-1.3%	9,500	(9,090,075)	-1.3%	(9,392,175)	-3.2%	0	(9,392,175)	-3.3%
- Transfer to Maine Milk Pool	(9,422,556)	-134.9%	0	(9,422,556)	-134.9%	(9,422,556)	0.0%	0	(9,422,556)	0.0%
- Transfer to STAR Transportation Fund	(2,970,343)	-0.8%	0	(2,970,343)	-0.8%	(3,000,047)	-1.0%	0	(3,000,047)	-1.0%
- Other Miscellaneous Revenue	22,968,415	-0.2%	1,385,619	24,354,034	-0.2%	23,012,555	0.2%	1,385,619	24,398,174	0.2%
Subtotal - Other Revenue	44,886,241	-12.7%	1,395,119	46,281,360	-12.5%	44,808,077	-0.2%	1,385,619	46,193,696	-0.2%
<b>Detail of Transfers to Tax Relief Programs:</b>										
- Maine Resident Property Tax Program	(56,000,000)	-28.7%	0	(56,000,000)	-28.7%	(57,700,000)	-3.0%	0	(57,700,000)	-3.0%
- BETR - Business Equipment Tax Reimb.	(52,052,995)	-1.0%	0	(52,052,995)	-1.0%	(46,782,583)	10.1%	0	(46,782,583)	10.1%
- BETE - Municipal Bus. Equip. Tax Reimb.	(19,431,982)	-10.8%	0	(19,431,982)	-10.8%	(20,199,715)	-4.0%	0	(20,199,715)	-4.0%
Subtotal - Tax Relief Transfers	(127,484,977)	-13.2%	0	(127,484,977)	-13.2%	(124,682,298)	2.2%	0	(124,682,298)	2.2%
IF&W Total Revenue ***	23,063,573	0.0%	0	23,063,573	0.0%	23,070,446	0.0%	0	23,070,446	0.0%

\*\*\* IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.

**HIGHWAY FUND REVENUE**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2010**

Source	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.	FY 09 Budget	FY 09 Variance	% Var.
Fuel Taxes	220,484,728	3.7%	221,575,309	0.5%	226,824,018	2.4%	225,235,339	-0.7%	216,215,544	-4.0%	217,243,255	(1,027,711)	-0.5%
Motor Vehicle Registration & Fees	84,645,422	2.5%	87,658,962	3.6%	87,291,874	-0.4%	86,094,837	-1.4%	91,886,824	6.7%	92,254,651	(367,827)	-0.4%
Inspection Fees	4,260,059	-9.5%	4,373,692	2.7%	4,342,519	-0.7%	4,193,874	-3.4%	4,057,978	-3.2%	3,996,421	61,557	1.5%
Fines, Forfeits and Penalties	1,518,580	-20.9%	1,809,813	19.2%	1,668,000	-7.8%	1,747,986	4.8%	1,785,197	2.1%	1,795,049	(9,852)	-0.5%
Income from Investments	1,440,739	100.1%	1,833,806	27.3%	1,105,987	-39.7%	1,152,491	4.2%	480,419	-58.3%	458,392	22,027	4.8%
Other Revenues	13,728,627	44.5%	9,294,574	-32.3%	9,588,686	3.2%	9,712,051	1.3%	9,816,188	1.1%	9,401,872	414,316	4.4%
<b>Total - Highway Fund Revenue</b>	<b>326,078,155</b>	<b>4.5%</b>	<b>326,546,157</b>	<b>0.1%</b>	<b>330,821,083</b>	<b>1.3%</b>	<b>328,136,579</b>	<b>-0.8%</b>	<b>324,242,149</b>	<b>-1.2%</b>	<b>325,149,640</b>	<b>(907,491)</b>	<b>-0.3%</b>

## HIGHWAY FUND REVENUE

### REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2010

Source	FY10 Budget	% Chg.	Recom. Chg.	FY10 Revised	% Chg.	FY11 Budget	% Chg.	Recom. Chg.	FY11 Revised	% Chg.
Fuel Taxes	215,292,026	-0.4%	5,013,500	220,305,526	1.9%	209,706,216	-2.6%	4,819,250	214,525,466	-2.6%
Motor Vehicle Registration & Fees	76,043,693	-17.2%	(1,000,000)	75,043,693	-18.3%	77,719,414	2.2%	1,000,000	78,719,414	4.9%
Inspection Fees	4,046,915	-0.3%	(150,000)	3,896,915	-4.0%	4,047,299	0.0%	(150,000)	3,897,299	0.0%
Fines, Forfeits and Penalties	1,745,049	-2.2%	0	1,745,049	-2.2%	1,745,049	0.0%	0	1,745,049	0.0%
Income from Investments	144,622	-69.9%	(31,292)	113,330	-76.4%	79,137	-45.3%	(46,691)	32,446	-71.4%
Other Revenues	8,215,870	-16.3%	171,383	8,387,253	-14.6%	8,329,216	1.4%	(182,521)	8,146,695	-2.9%
<b>Total - Highway Fund Revenue</b>	<b>305,488,175</b>	<b>-5.8%</b>	<b>4,003,591</b>	<b>309,491,766</b>	<b>-4.5%</b>	<b>301,626,331</b>	<b>-1.3%</b>	<b>5,440,038</b>	<b>307,066,369</b>	<b>-0.8%</b>
<b>Change in Biennial Totals</b>								<b>9,443,629</b>		

**HIGHWAY FUND REVENUE**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2010**

Source	FY12 Budget	% Chg.	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.
Fuel Taxes	211,070,117	0.7%	5,540,750	216,610,867	1.0%	215,318,378	2.0%	6,761,750	222,080,128	2.5%
Motor Vehicle Registration & Fees	81,570,726	5.0%	0	81,570,726	3.6%	81,916,071	0.4%	0	81,916,071	0.4%
Inspection Fees	4,040,571	-0.2%	(150,000)	3,890,571	-0.2%	4,040,571	0.0%	(150,000)	3,890,571	0.0%
Fines, Forfeits and Penalties	1,745,049	0.0%	0	1,745,049	0.0%	1,745,049	0.0%	0	1,745,049	0.0%
Income from Investments	79,137	0.0%	(46,691)	32,446	0.0%	79,137	0.0%	(46,691)	32,446	0.0%
Other Revenues	8,350,835	0.3%	(135,000)	8,215,835	0.8%	8,355,835	0.1%	(135,000)	8,220,835	0.1%
<b>Total - Highway Fund Revenue</b>	<b>306,856,435</b>	<b>1.7%</b>	<b>5,209,059</b>	<b>312,065,494</b>	<b>1.6%</b>	<b>311,455,041</b>	<b>1.5%</b>	<b>6,430,059</b>	<b>317,885,100</b>	<b>1.9%</b>
<b>Change in Biennial Totals</b>								<b>11,639,118</b>		

**FUND FOR A HEALTHY MAINE REVENUE  
(TOBACCO SETTLEMENT REVENUE)  
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2010**

Source	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.	FY09 Budget	FY 09 Variance	% Var.
Tobacco Settlement Payments:													
- Base Payments	49,033,129	0.2%	45,011,759	-8.2%	47,113,687	4.7%	47,679,747	1.2%	52,579,385	10.3%	52,579,383	2	0.0%
- Strategic Contribution Payments							10,539,443	N/A	10,799,369	2.5%	10,799,369	(0)	0.0%
Racino Revenue *	0	N/A	1,771,173	N/A	3,538,805	99.8%	3,735,774	5.6%	4,981,163	33.3%	4,861,020	120,143	2.5%
Income from Investments	91,444	66.8%	124,780	36.5%	297,803	138.7%	64,695	-78.3%	49,819	-23.0%	33,982	15,837	46.6%
Attorney General Reimbursements and Other Income **	220	N/A	39	-82.2%	217	453.5%	25,080	N/A	0	N/A	0	0	N/A
<b>Total - Tobacco Settlement Revenue</b>	<b>49,124,793</b>	<b>0.2%</b>	<b>46,907,751</b>	<b>-4.5%</b>	<b>50,950,512</b>	<b>8.6%</b>	<b>62,044,739</b>	<b>21.8%</b>	<b>68,409,736</b>	<b>10.3%</b>	<b>68,273,754</b>	<b>135,982</b>	<b>0.2%</b>

\* Racino Revenue reflects that portion of the State's share of proceeds from slot machines at commercial race tracks designated for the Fund for a Healthy Maine. For fiscal years 2009-10, 2010-11, and 2011-12, PL 2009, c. 462, Pt. H. caps the proceeds transferred to the Fund for a Healthy Maine at \$4.5 million per year, with the balance transferred to the General Fund.

\*\* Beginning in FY10, this category reflects revenue transfers from the Fund for a Healthy Maine to General Fund undedicated revenue to offset revenue reductions from the implementation of PL 2007, c. 467, which limited the sale of certain flavored cigars and cigarettes beginning July 1, 2009.

**FUND FOR A HEALTHY MAINE REVENUE  
(TOBACCO SETTLEMENT REVENUE)  
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2010**

Source	FY10 Budget	% Chg.	Recom. Chg.	FY10 Revised	% Chg.	FY11 Budget	% Chg.	Recom. Chg.	FY11 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	45,253,322	-13.9%	0	45,253,322	-13.9%	42,839,213	-5.3%	0	42,839,213	-5.3%
- Strategic Contribution Payments	9,716,966	-10.0%	0	9,716,966	-10.0%	9,227,296	-5.0%	0	9,227,296	-5.0%
Racino Revenue *	4,500,000	-9.7%	0	4,500,000	-9.7%	4,500,000	0.0%	0	4,500,000	0.0%
Income from Investments	21,142	-57.6%	(6,807)	14,335	-71.2%	11,953	-43.5%	(9,779)	2,174	-84.8%
Attorney General Reimbursements and Other Income **	(92,660)	N/A	0	(92,660)	N/A	(145,147)	56.6%	0	(145,147)	56.6%
<b>Total - Tobacco Settlement Revenue</b>	<b>59,398,770</b>	<b>-13.2%</b>	<b>(6,807)</b>	<b>59,391,963</b>	<b>-13.2%</b>	<b>56,433,315</b>	<b>-5.0%</b>	<b>(9,779)</b>	<b>56,423,536</b>	<b>-5.0%</b>
<b>Change in Biennial Totals</b>								<b>(16,586)</b>		

\* Racino Revenue reflects that portion of the State's share of proceeds from slot machines at commercial race tracks designated for the Fund for a Healthy Maine. For fiscal years 2009-10, 2010-11, and 2011-12, PL 2009, c. 462, Pt. H. caps the proceeds transferred to the Fund for a Healthy Maine at \$4.5 million per year, with the balance transferred to the General Fund.

\*\* Beginning in FY10, this category reflects revenue transfers from the Fund for a Healthy Maine to General Fund undedicated revenue to offset revenue reductions from the implementation of PL 2007, c. 467, which limited the sale of certain flavored cigars and cigarettes beginning July 1, 2009.



**FUND FOR A HEALTHY MAINE REVENUE  
(TOBACCO SETTLEMENT REVENUE)  
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MARCH 2010**

Source	FY12 Budget	% Chg.	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	49,128,512	14.7%	0	49,128,512	14.7%	48,438,445	-1.4%	0	48,438,445	-1.4%
- Strategic Contribution Payments	9,351,164	1.3%	0	9,351,164	1.3%	9,256,695	-1.0%	0	9,256,695	-1.0%
Racino Revenue *	4,500,000	0.0%	0	4,500,000	0.0%	5,905,608	31.2%	(92,222)	5,813,386	29.2%
Income from Investments	17,256	44.4%	(14,856)	2,400	10.4%	19,632	13.8%	(17,132)	2,500	4.2%
Attorney General Reimbursements and Other Income **	(161,699)	11.4%	0	(161,699)	11.4%	(164,662)	1.8%	0	(164,662)	1.8%
<b>Total - Tobacco Settlement Revenue</b>	<b>62,835,233</b>	<b>11.3%</b>	<b>(14,856)</b>	<b>62,820,377</b>	<b>11.3%</b>	<b>63,455,718</b>	<b>1.0%</b>	<b>(109,354)</b>	<b>63,346,364</b>	<b>0.8%</b>
<b>Change in Biennial Totals</b>								<b>(124,210)</b>		

\* Racino Revenue reflects that portion of the State's share of proceeds from slot machines at commercial race tracks designated for the Fund for a Healthy Maine. For fiscal years 2009-10, 2010-11, and 2011-12, PL 2009, c. 462, Pt. H. caps the proceeds transferred to the Fund for a Healthy Maine at \$4.5 million per year, with the balance transferred to the General Fund.

\*\* Beginning in FY10, this category reflects revenue transfers from the Fund for a Healthy Maine to General Fund undedicated revenue to offset revenue reductions from the implementation of PL 2007, c. 467, which limited the sale of certain flavored cigars and cigarettes beginning July 1, 2009.

**MEDICAID/MAINECARE DEDICATED REVENUE TAXES**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - March 2010**

Source	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.	FY09 Budget	FY 09 Variance	% Var.
Nursing Facility Tax*	29,241,327	-4.1%	31,397,376	7.4%	30,061,513	-4.3%	31,343,582	4.3%	28,777,390	-8.2%	30,173,119	(1,395,729)	-4.6%
Residential Treatment Facility (ICFs/MR) Tax*	1,958,739	21.1%	1,868,534	-4.6%	1,880,205	0.6%	1,819,275	-3.2%	1,572,670	-13.6%	1,553,655	19,015	1.2%
Hospital Tax **	48,907,135	198.5%	54,050,888	10.5%	59,807,056	10.6%	60,515,510	1.2%	69,958,821	15.6%	70,897,026	(938,205)	-1.3%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)***	15,430,099	N/A	30,779,242	99.5%	33,955,412	10.3%	36,494,882	7.5%	37,720,482	3.4%	38,008,446	(287,964)	-0.8%
<b>Total - Health Care Provider Taxes</b>	<b>95,537,301</b>	<b>97.0%</b>	<b>118,096,040</b>	<b>23.6%</b>	<b>125,704,185</b>	<b>6.4%</b>	<b>130,173,249</b>	<b>3.6%</b>	<b>138,029,363</b>	<b>6.0%</b>	<b>140,632,246</b>	<b>(2,602,883)</b>	<b>-1.9%</b>
<b>Change in Biennial Totals</b>													

\* The nursing facility and residential treatment facility tax rates were decreased in PL 2007, c. 539, Part X from 6.0% to 5.5% beginning in FY09 consistent with federal law.

\*\* The hospital tax base year was modified again in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09.

\*\*\* The MaineCare service provider tax was expanded in FY06 to include: community support services (effective 6/29/05), day habilitation services (effective 7/1/05), personal support services (effective 7/1/05) and residential training services (effective 7/1/05).

**MEDICAID/MAINECARE DEDICATED REVENUE TAXES**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - March 2010**

Source	FY10 Budget	% Chg.	Recom. Chg.*	FY10 Revised	% Chg.	FY11 Budget	% Chg.	Recom. Chg.*	FY11 Revised	% Chg.
Nursing Facility Tax	30,173,119	4.9%	0	30,173,119	4.9%	30,173,119	0.0%	0	30,173,119	0.0%
Residential Treatment Facility (ICFs/MR) Tax	1,553,655	-1.2%	0	1,553,655	-1.2%	1,553,655	0.0%	0	1,553,655	0.0%
Hospital Tax	70,034,678	0.1%	0	70,034,678	0.1%	70,034,678	0.0%	0	70,034,678	0.0%
Service Provider Tax - Private Non-Medical Institutions (PNMIs) *	36,565,802	-3.1%	0	36,565,802	-3.1%	35,794,353	-2.1%	0	35,794,353	-2.1%
<b>Total - Health Care Provider Taxes</b>	<b>138,327,254</b>	<b>0.2%</b>	<b>0</b>	<b>138,327,254</b>	<b>0.2%</b>	<b>137,555,805</b>	<b>-0.6%</b>	<b>0</b>	<b>137,555,805</b>	<b>-0.6%</b>
<b>Change in Biennial Totals</b>								<b>0</b>		

\* The recommended change for FY 10 and FY 11 for the Service Provider Tax (PNMIs) reflects the impact on revenues of budget initiatives enacted in PL 2009, c. 213.

**MEDICAID/MAINECARE DEDICATED REVENUE TAXES**  
**REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - March 2010**

Source	FY12 Budget	% Chg.	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.
Nursing Facility Tax	30,173,119	0.0%	0	30,173,119	0.0%	30,173,119	0.0%	0	30,173,119	0.0%
Residential Treatment Facility (ICFs/MR) Tax	1,553,655	0.0%	0	1,553,655	0.0%	1,553,655	0.0%	0	1,553,655	0.0%
Hospital Tax	70,034,678	0.0%	0	70,034,678	0.0%	70,034,678	0.0%	0	70,034,678	0.0%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)	35,794,353	0.0%	0	35,794,353	0.0%	35,794,353	0.0%	0	35,794,353	0.0%
<b>Total - Health Care Provider Taxes</b>	<b>137,555,805</b>	<b>0.0%</b>	<b>0</b>	<b>137,555,805</b>	<b>0.0%</b>	<b>137,555,805</b>	<b>0.0%</b>	<b>0</b>	<b>137,555,805</b>	<b>0.0%</b>
<b>Change in Biennial Totals</b>								<b>0</b>		