

**STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
MAINE REVENUE SERVICES
OFFICE OF TAX POLICY**

Date: March 15, 2013

To: Committee on Labor, Commerce, Research and Economic Development

Subject: LD 992 – An Act To Create a State-sponsored 401(k) Retirement Plan for Participation by Private Employers

This analysis is limited to the bill as it impacts Maine Revenue Services.

Primary Sponsor: Senator Richard Woodbury

Estimated Revenue Impact: The estimated impact on state revenue cannot be determined until implementing legislation is developed in accordance with Section 2 of the bill.

Estimated Administrative Cost Impact: The estimated impact on administrative costs cannot be determined until implementing legislation is developed in accordance with Section 2 of the bill.

Identified Issues: Because of the possible tax implications, Maine Revenue Services requests that it be consulted and have an opportunity to review and comment on the proposed legislation prior to its submission to the Second Regular Session of the 126th Legislature. FAME and MRS have already developed a good working relationship and currently coordinate on a number of other programs, such as the seed capital investment program, 529 college program (NextGen) and the family development account program.

Similar Legislative Proposals: None known.

cc (by e-mail): Office of Fiscal & Program Review
Office of DAFS Commissioner
Office of the Attorney General
Office of Policy & Legal Analysis
Finance Authority of Maine

State Budget Office
Office of the Governor
Revisor's Office
Office of Information Technology