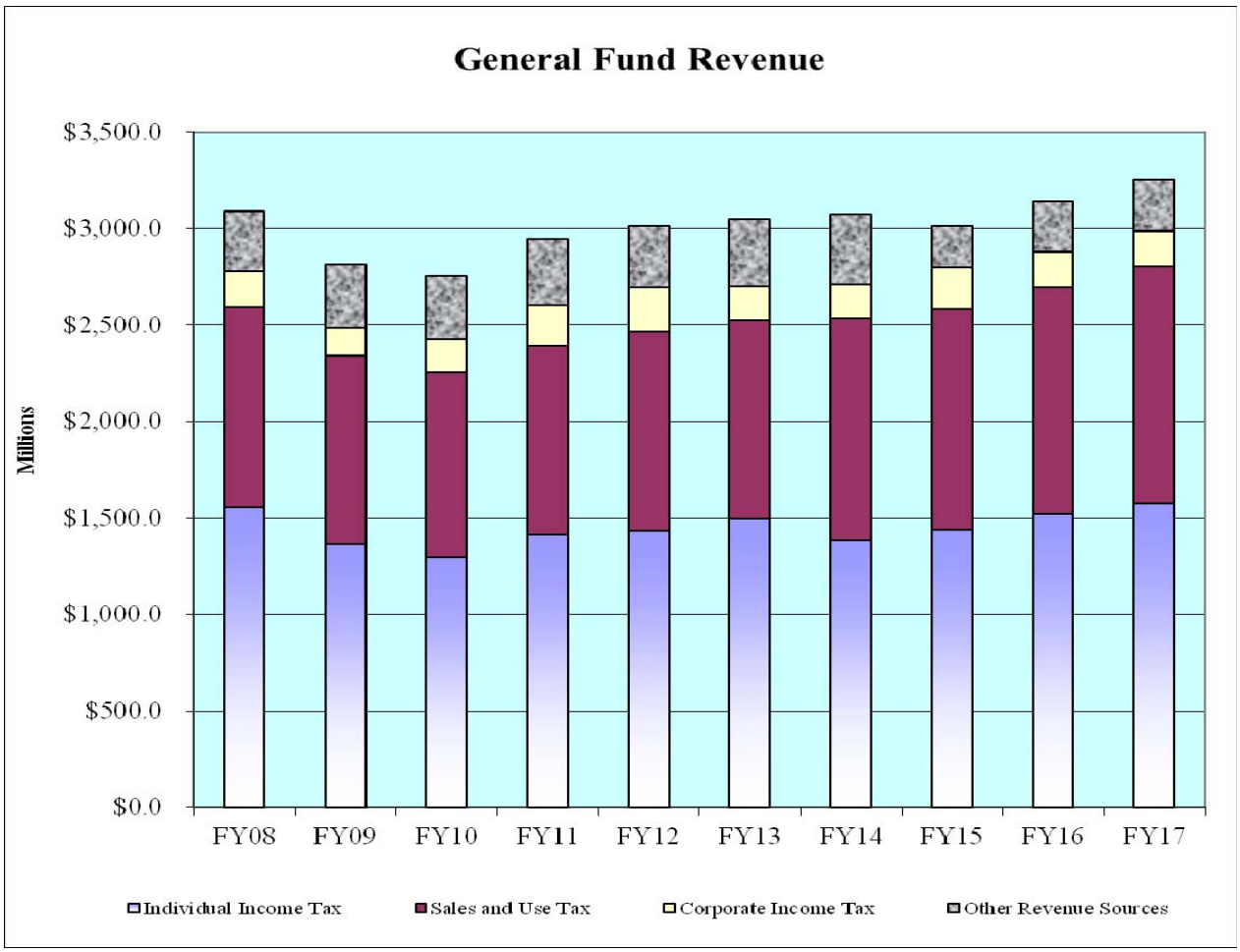
REPORT OF THE MAINE STATE REVENUE FORECASTING COMMITTEE

December 2013



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Report of the Maine State Revenue Forecasting Committee
December 2013 Forecast

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Introduction

The Revenue Forecasting Committee (RFC) met on November 21, 2013 to review and update the current revenue forecast to comply with this year's statutory reporting date of December 1st. The RFC revised its revenue projections through the fiscal year ending June 30, 2017 based on the new economic forecast by the Consensus Economic Forecasting Commission for its November 1st reporting date, updated tax data and a review of recent experience. The RFC updated its forecasts for the General Fund, Highway Fund, Fund for a Healthy Maine and Medicaid/MaineCare Dedicated Revenue Taxes.

Summary of Economic Forecast

This update of the revenue forecast included a review of the economic forecast statutorily due by November 1st, seven months after the last revision. The economic forecast was developed by the Consensus Economic Forecasting Commission (CEFC) at its meeting on October 25.

The Maine and U.S. economies continued on a slow and bumpy road to recovery since the CEFC last met in March 2013, with Maine's economy continuing to grow more slowly than the nation as a whole. Maine's Gross Domestic Product for 2012 was slightly higher than 2011, with all of the growth coming from private industry, but total GDP growth for the state was below the national rate of growth. Personal income in Maine grew 2.3% year-over-year in the first half of 2013, while wage and salary income, which makes up about half of total personal income, grew 2.1% over the same period. The debt-to-income level for Maine businesses and households continued its recent slow rise to 22.4%. The Consumer Price Index was 1.5% higher in August 2013 than it was in August 2012, driven largely by increases in fuels and utilities.

Nationwide, consumer sentiment declined 5.6% month-over-month in September due to the then-looming government shutdown, while small business optimism remained relatively stable over the month and was up over the previous year's level.

The price of crude oil increased 6.3% in the third quarter of 2013 to around $110 per barrel. Heating oil and gasoline prices remained relatively steady. The number of new automobile titles issued by the Maine Bureau of Motor Vehicles increased in FY 2012 compared to FY 2011, although the number of used auto titles decreased.

Existing single-family home sales in Maine were up 20% in August 2013 compared to August 2012 and housing permits for the September 2012-August 2013 year were 13% higher than the previous September-August period. The median home price in the Portland Metropolitan Statistical Area (York, Cumberland, and Sagadahoc Counties) increased 3.3% year-over-year in the second quarter of 2013. Mortgage delinquency rates remain well above pre-recession levels but below peak crisis levels. The foreclosure rate in Maine increased in the second quarter of 2013 and remains well above pre-recession levels.

The major revisions to the forecast were to wage and salary employment, wage and salary income, supplements to wages and salaries, and total personal income. These changes were made based on a consensus that Moody's Analytics and Global Insight forecasts are based on overly optimistic

population projections for the state of Maine, causing employment forecasts, among other things, to grow at an unattainable rate. For this reason, employment and the components of income most closely correlated with employment levels were revised downwards.

The 2013 wage and salary employment forecast was revised downwards 0.2 percentage points, from 0.7% to 0.5%, while the 2014-2017 employment forecast was revised downwards 0.3 percentage points each year (to 0.7% for 2014-2016 and 0.5% for 2017). Wage and salary income growth was revised downwards for 2014-2017 based on the lower employment growth. Total personal income was also revised downwards for 2013-2015, reflecting the lower wage and salary income growth. Personal income for 2016 was revised upwards by 0.1 percentage point and 2017 was left unchanged. Inflation, as measured by the Consumer Price Index (CPI), was revised downwards by 0.1 percentage point for 2013 and 2014 and upwards by 0.1 percentage point for 2015, 2016 and 2017.

The federal government experienced a 16-day shutdown earlier in October, ending shortly before the debt ceiling deadline was reached as Congress and the President came to agreement on a short-term solution. While there are certainly negative economic effects from the shutdown, not least of which is an erosion of consumer confidence, the relatively short length of the shutdown averted any severe economic consequences. However, the next budget and debt ceiling debate will occur soon, with the next deadlines in January and February 2014. If a similar scenario were to play out, economic conditions may deteriorate further, posing a risk to the forecast in the near term. The CEFC will review and revise the forecast by February 1, 2014, and will consider the impacts of actual policy decisions at the federal level at that time. It is important to note that the national forecasts that were considered by the CEFC (IHS Global Insight and Moody's Analytics) were produced before the federal government shutdown had run its course and are based on more optimistic scenarios than actually occurred.

A copy of the November 2013 report of the CEFC and other economic information providing the basis for this revenue forecast is included in Appendix E.

Summary of Revenue Forecast

The economic variables in the CEFC forecast play an important role in the revenue forecast. Maine Revenue Services' tax models use the CEFC economic variables to help project revenue from the major taxes. As with the May 2013 revenue forecast, the underlying economic forecast lowered the growth assumptions for income and employment, which would in the absence of other factors lower the forecasts of the major taxes produced by the tax models. The strength of recent revenue performance, updated federal tax data and other technical adjustments were once again enough to offset the slower economic growth assumptions to produce net positive revisions to revenue for the major taxes.

Recent performance and data related to non-tax revenue lines were reviewed with a number of different state agencies and staff in the Office of Fiscal and Program Review and the Bureau of the Budget to come up with consensus recommendations. The RFC reviewed Maine Revenue Services' and other staff recommendations at its meeting on November 21st and accepted those recommendations. The following tables and narratives highlight the final changes to each of the major funds and revenue sources projected by the RFC as part of this revenue forecast. More detail on each of the funds and revenue sources is provided in the various appendices.

General Fund Summary

	FY12 Actual	FY13 Actual	FY14	FY15	FY16	FY17
Current Forecast	$3,015,538,222	$3,094,383,842	$3,061,688,898	$3,267,890,598	$3,137,396,936	$3,249,712,446
Annual % Growth		2.6%	-1.1%	6.7%	-4.0%	3.6%
Net Increase (Decrease)			$12,688,716	$7,922,560	$3,976,064	$4,821,630
Revised Forecast	$3,015,538,222	$3,094,383,842	$3,074,377,614	$3,275,813,158	$3,141,373,000	$3,254,534,076
Annual % Growth		2.6%	-0.6%	6.6%	-4.1%	3.6%

General Fund revenue estimates were revised upward by $12.7 million in FY14 and $7.9 million in FY15 ($20.6 million over the 2014-2015 biennium). Upward revisions to the Sales and Use Tax and the Individual Income Tax offset a downward adjustment to the Corporate Income Tax to account for more than 90% of the net changes to the General Fund revenue forecast.

Individual Income Tax revenues were increased in this forecast by $11.1 million in FY14 and $12.1 million in FY 15. Updated tax data from the 2012 tax year and various technical adjustments resulted in a higher base that resulted in the upward revisions and offset the lower income assumptions in the economic forecast through FY16. In FY17, the slower growth assumptions lower the forecast for this category downward by $1.5 million.

The review of updated tax data helped the RFC better refine its estimates of behavior by Maine households making end-of-year financial decisions to avoid potential tax increases at the federal level as a result of the expiration of the Bush tax cuts and other tax stimulus programs enacted in 2009, 2010, and 2011 and tax increases included in the Affordable Care Act that began in 2013. In particular, capital gains grew by roughly 50% in the 2012 tax year, which is less than the 60% growth assumed in the May forecast. The growth of non-resident income tax liability and other business-related income were among several adjustments that contributed to the upward revisions. Wage growth in 2012 was also revised upward from 1.4% to 2%.

A crucial question going forward is what will happen to the income sources that experienced unusually large gains in 2012 (capital gains, dividends, business income, and nonresident income sourced to Maine). The forecast assumes that the excess growth in these items in 2012 reflects a timing response to federal policy changes and that these income sources will return to normal levels in 2013. If, instead, more of the 2012 growth reflects persistent factors that should be incorporated into the forecast base, then the forecast will be excessively conservative. The strong growth in the 3rd quarter of 2013 estimated income tax payment raises the possibility that tax year 2013 revenue will be above forecast. But because estimated payment growth in the first two quarters of 2013 was nowhere near as strong, the RFC did not want to put excessive weight on one estimated payment. The final estimated payment for 2013, which is due in January 2014, will provide important guidance for the next revenue forecast.

After significantly reducing the forecast for Sales and Use Tax receipts as part of the May 2013 forecast, the RFC reversed some of that downward revision with upward revisions of $10.2 million in FY14 and $8.5 million in FY15 for this revenue category. Improved fuel price forecasts and higher projections for automobile sales contributed to this increase. Updated information regarding the effect of the recent repeal of the sales tax exemption for publications also contributed roughly $2 million annually to this upward revision. Taxable sales growth for the last quarter has been substantially above projections led by growth in the automobile and building supply sectors. This forecast does not assume that growth will

continue. It assumes taxable sales growth will be lower in future months and that the holiday shopping season will be lackluster.

For the purposes of Maine Revenue Services' tax models, the Service Provider Tax is included with the sales and use tax forecast and must be manually separated out. The Service Provider Tax was reduced by $1.3 million and $2.4 million in FY14 and FY15, respectively, to reflect recent trends.

The RFC reduced the forecast of Corporate Income Tax receipts by $10.4 million in FY14 and $8.4 million in FY15 ($18.8 million for the 2014-2015 biennium). While corporate receipts have been tracking only modestly below budget through October, Maine Revenue Services is currently reviewing a sizeable batch of pending refunds that will be paid out in future months. This indicates that the 2012 tax liability was lower than previously projected. This and other adjustments more than offset an improved national corporate profit picture in the economic forecast.

As a result of the changes to the sales and income taxes described above, Transfers for Municipal Revenue Sharing were revised to reflect a transfer equal to 5% of these taxes. These transfers are lagged one month and as a result of the significant change in the monthly distribution for FY14, largely due to the sales tax rate change, the normal inverse relationship between revisions to the taxes and revenue sharing transfers is distorted on a one-time basis for that fiscal year. General Fund revenue related to these transfers was decreased by $0.8 million for the 2014-2015 biennium.

Some other sizeable downward adjustments include fine revenue (revised downward by $2.0 million for the biennium), telecommunications excise tax ($2.8 million for the biennium) and milk-related transfers and taxes ($1.8 million net).

These downward adjustments were more than offset by upward revisions to securities fee revenue ($1.5 million upward for the biennium), beer and wine excise taxes ($0.9 million) and corporation filing fee revenue ($0.9 million). The revenue transferred to the General Fund through the State Cost Allocation Program (STA-CAP) was increased by $3.3 million in FY14 only.

More detail on the other revenue categories can be found in Appendix A and other background materials in Appendix F.

Highway Fund Summary

	FY12 Actual	FY13 Actual	FY14	FY15	FY16	FY17
Current Forecast	$317,202,409	$318,825,700	$307,858,009	$305,853,636	$305,486,069	$305,106,497
Annual % Growth		0.5%	-3.4%	-0.7%	-0.1%	-0.1%
Net Increase (Decrease)			$717,854	$936,130	$936,130	$936,130
Revised Forecast	$317,202,409	$318,825,700	$308,575,863	$306,789,766	$306,422,199	$306,042,627
Annual % Growth		0.5%	-3.2%	-0.6%	-0.1%	-0.1%

Highway Fund revenue estimates (also refer to Appendix B) were revised upward by $0.7 million in FY14 and $0.9 million in FY15 ($1.6 million for the 2014-2015 biennium). These revisions result primarily from upward revisions for motor vehicle registrations and title fees. The RFC made no adjustments to the forecast for fuel taxes. The tax models forecasts for fuel taxes have been ineffective in adequately forecasting these tax receipts in the last couple of forecasts. These taxes are running modestly ahead of projections through recent years.

The broader category of Motor Vehicle Registrations and Fees was increased by $1.0 million annually in each year of the forecast based on recent performance. Revenue from motor vehicle registrations was 5.3% over budget through the first quarter of FY14. These fees were adjusted upward by $0.9 million in each year of the forecast period. Title fee revenue was 15% over budget through the first quarter of FY14. This combined with Global Insight's projected increase of automobile sales resulted in the RFC revising title fee revenue upward by $0.4 million in each year of the forecast period. A portion of the revenue from these fees is transferred to the Transcap Trust Fund. These upward revisions from these fees is reduced or offset by $0.3 million annually to account for these transfers..

In FY14 only, reimbursement to the Highway Fund for State Cost Allocation program expenditures was adjusted downward by $0.2 million.

Fund for a Healthy Maine Summary

	FY12 Actual	FY13 Actual	FY14	FY15	FY16	FY17
Current Forecast	$55,516,906	$50,992,315	$53,425,194	$53,052,835	$52,591,025	$52,131,253
Annual % Growth		-8.1%	4.8%	-0.7%	-0.9%	-0.9%
Net Increase (Decrease)			$1,280,588	$1,288,147	$1,270,426	$1,252,855
Revised Forecast	$55,516,906	$50,992,315	$54,705,782	$54,340,982	$53,861,451	$53,384,108
Annual % Growth		-8.1%	7.3%	-0.7%	-0.9%	-0.9%

The Fund for a Healthy Maine (FHM) revenue forecast was adjusted upward by $2.6 million for the 2014-2015 biennium. The increase was primarily the result of trending tobacco settlement payments off of higher FY13 payments that were $1.5 million above budgeted amounts. There remains a good deal of uncertainty surrounding certain legal proceedings under the Master Settlement Agreement. While Maine prevailed in the legal challenge related to the NPM (non-participating manufacturer) adjustment for 2003 calendar year sales, the release of Maine's share of the disputed payments for that sales year, roughly $5.6 million, is being challenged and held up by certain states that were not successful in these proceedings. The RFC may have better information on these legal proceeding for the March 2014 forecast. There is a potential for Maine's share of these disputed payments to be included in the April 2014 payment, but the RFC was not comfortable assuming that for this forecast.

The FHM, which receives a percentage of the revenue from slot machines at Hollywood Casino in Bangor, is once again being revised downward by $0.4 million for the 2014-2015 biennium to reflect recent performance. The newer Oxford Casino has been performing better than anticipated, but at the expense of Hollywood Casino in Bangor. FHM budgeted revenue was also modestly increased by interest earning assumptions for FY14 (see details in Appendix C and F).

Medicaid/MaineCare Dedicated Revenue Taxes Summary

	FY12 Actual	FY13 Actual	FY14	FY15	FY16	FY17
Current Forecast	$151,925,600	$153,241,054	$171,805,470	$171,805,470	$171,805,470	$171,805,470
Annual % Growth		0.9%	12.1%	0.0%	0.0%	0.0%
Net Increase (Decrease)			$216,047	$216,047	$216,047	$216,047
Revised Forecast	$151,925,600	$153,241,054	$172,021,517	$172,021,517	$172,021,517	$172,021,517
Annual % Growth		0.9%	12.3%	0.0%	0.0%	0.0%

The forecast of Medicaid/MaineCare Dedicated Revenue Taxes revenue was adjusted upward based on recent experience. The current years' experience projects out to a $0.2 million upward revision for each year of the forecast (see Appendix D and F for more detailed information). The significant increase in

revenue from FY13 to FY14 is primarily the result of legislation (PL 2013, c. 368) modifying the hospital tax base year from hospital fiscal years ending during calendar year 2008 to hospital fiscal years ending during calendar year 2012 beginning in FY 14.

Conclusions

The timing of this forecast was such that the national economic forecasts were updated prior to the conclusion of the negotiations over the federal debt ceiling and the federal shutdown and were more optimistic in their assumptions than the actual events. The short-term nature of the solutions to the federal negotiations means that the CEFC and the RFC will potentially be dealing with a similar situation and uncertainty when they convene for the winter updates in January and February.

The economic and revenue forecasts have settled into a less volatile pattern of more modest changes in the last few forecasts, which contrasts with the significant swings we experienced during the recession. However, the relative stability of these forecasts, projecting a slow, steady recovery, could change if federal negotiations result in another shutdown or fail to address the debt ceiling in January and February, respectively. A second federal government shutdown, following so closely after the October shutdown, could have a significant negative impact on business and consumer confidence, posing a downside risk to the economic forecast.

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2013 FORECAST

Source	FY09 Actual	FY10 Actual	% Chg.	FY11 Actual	% Chg.	FY12 Actual	% Chg.	FY13 Actual	% Chg.	FY13 Budget	FY13 Variance	% Var.
Sales and Use Tax	921,823,720	897,938,873	-2.6%	923,686,973	2.9%	981,257,805	6.2%	986,747,637	0.6%	984,910,746	1,836,891	0.2%
Service Provider Tax	52,812,595	56,086,391	6.2%	52,672,306	-6.1%	48,255,501	-8.4%	50,139,878	3.9%	48,739,710	1,400,168	2.9%
Individual Income Tax	1,365,437,729	1,298,036,055	-4.9%	1,415,283,534	9.0%	1,434,217,189	1.3%	1,521,862,756	6.1%	1,495,000,000	26,862,756	1.8%
Corporate Income Tax	143,085,966	175,292,433	22.5%	208,996,598	19.2%	232,117,995	11.1%	171,987,073	-25.9%	171,021,732	965,341	0.6%
Cigarette and Tobacco Tax	144,424,712	149,066,678	3.2%	145,229,303	-2.6%	139,729,147	-3.8%	137,951,824	-1.3%	138,180,000	(228,176)	-0.2%
Insurance Companies Tax	79,770,431	80,019,145	0.3%	76,930,329	-3.9%	82,985,771	7.9%	79,609,419	-4.1%	80,715,000	(1,105,581)	-1.4%
Estate Tax	31,819,188	31,209,840	-1.9%	49,323,494	58.0%	44,865,567	-9.0%	79,083,058	76.3%	70,230,328	8,852,730	12.6%
Other Taxes and Fees *	148,909,575	149,592,993	0.5%	151,676,495	1.4%	131,893,407	-13.0%	153,796,137	16.6%	150,894,327	2,901,810	1.9%
Fines, Forfeits and Penalties	44,024,462	32,787,060	-25.5%	28,513,040	-13.0%	25,120,959	-11.9%	23,748,503	-5.5%	24,552,639	(804,136)	-3.3%
Income from Investments	1,100,129	265,091	-75.9%	277,770	4.8%	155,531	-44.0%	148,434	-4.6%	83,883	64,551	77.0%
Transfer from Lottery Commission	49,839,434	52,201,531	4.7%	49,547,800	-5.1%	53,785,567	8.6%	52,908,602	-1.6%	52,550,000	358,602	0.7%
Transfers to Tax Relief Programs *	(122,931,820)	(113,604,930)	7.6%	(113,934,585)	-0.3%	(115,336,149)	-1.2%	(111,674,333)	3.2%	(112,086,562)	412,229	-0.4%
Transfer to Municipal Rev. Sharing	(102,160,745)	(97,425,079)	4.6%	(93,156,725)	4.4%	(96,876,964)	-4.0%	(95,974,153)	0.9%	(95,086,810)	(887,343)	0.9%
Other Revenue *	53,412,918	44,216,420	-17.2%	49,910,424	12.9%	53,366,896	6.9%	44,049,007	-17.5%	38,637,097	5,411,910	14.0%
Total - General Fund Revenue	**2,811,368,295**	**2,755,682,500**	**-2.0%**	**2,944,956,756**	**6.9%**	**3,015,538,222**	**2.4%**	**3,094,383,842**	**2.6%**	**3,048,342,090**	**46,041,752**	**1.5%**

* Additional detail provided on pages 4, 5 and 6

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2013 FORECAST

Source	FY14 Budget	% Chg.	Recom. Chg.	FY14 Revised	% Chg.	FY15 Budget	% Chg.	Recom. Chg.	FY15 Revised	% Chg.
Sales and Use Tax	1,098,475,270	11.3%	10,202,513	1,108,677,783	12.4%	1,181,047,258	7.5%	8,545,075	1,189,592,333	7.3%
Service Provider Tax	50,591,819	0.9%	(1,274,392)	49,317,427	-1.6%	52,666,084	4.1%	(2,362,308)	50,303,776	2.0%
Individual Income Tax	1,369,627,772	-10.0%	11,057,228	1,380,685,000	-9.3%	1,435,087,551	4.8%	12,141,449	1,447,229,000	4.8%
Corporate Income Tax	180,143,079	4.7%	(10,436,121)	169,706,958	-1.3%	186,029,606	3.3%	(8,378,381)	177,651,225	4.7%
Cigarette and Tobacco Tax	135,900,000	-1.5%	0	135,900,000	-1.5%	133,590,000	-1.7%	0	133,590,000	-1.7%
Insurance Companies Tax	80,715,000	1.4%	0	80,715,000	1.4%	80,715,000	0.0%	0	80,715,000	0.0%
Estate Tax	27,553,982	-65.2%	0	27,553,982	-65.2%	26,457,040	-4.0%	0	26,457,040	-4.0%
Other Taxes and Fees *	127,316,248	-17.2%	568,643	127,884,891	-16.8%	130,758,984	2.7%	2,056,249	132,815,233	3.9%
Fines, Forfeits and Penalties	24,402,754	2.8%	(971,088)	23,431,666	-1.3%	24,397,754	0.0%	(976,088)	23,421,666	0.0%
Income from Investments	77,710	-47.6%	(63,892)	13,818	-90.7%	93,858	20.8%	0	93,858	579.2%
Transfer from Lottery Commission	55,750,000	5.4%	0	55,750,000	5.4%	57,010,462	2.3%	0	57,010,462	2.3%
Transfers to Tax Relief Programs *	(60,780,498)	45.6%	(760,000)	(61,540,498)	44.9%	(58,183,362)	4.3%	0	(58,183,362)	5.5%
Transfer to Municipal Rev. Sharing	(64,893,005)	32.4%	97,071	(64,795,934)	32.5%	(19,936,668)	69.3%	(900,685)	(20,837,353)	67.8%
Other Revenue *	36,808,767	-16.4%	4,268,754	41,077,521	-6.7%	38,157,031	3.7%	(2,202,751)	35,954,280	-12.5%
Total - General Fund Revenue	**3,061,688,898**	**-1.1%**	**12,688,716**	**3,074,377,614**	**-0.6%**	**3,267,890,598**	**6.7%**	**7,922,560**	**3,275,813,158**	**6.6%**
Change in Biennial Totals								**20,611,276**		

* Additional detail provided on pages 4, 5 and 6

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2013 FORECAST

Source	FY16 Projections	% Chg.	Recom. Chg.	FY16 Revised	% Chg.	FY17 Projections	% Chg.	Recom. Chg.	FY17 Revised	% Chg.
Sales and Use Tax	1,113,352,179	-5.7%	10,797,726	1,124,149,905	-5.5%	1,161,178,319	4.3%	11,866,932	1,173,045,251	4.3%
Service Provider Tax	54,878,059	4.2%	(3,568,208)	51,309,851	2.0%	57,237,816	4.3%	(4,901,768)	52,336,048	2.0%
Individual Income Tax	1,513,671,017	5.5%	5,765,983	1,519,437,000	5.0%	1,577,792,856	4.2%	(1,489,856)	1,576,303,000	3.7%
Corporate Income Tax	192,165,326	3.3%	(5,790,222)	186,375,104	4.9%	186,358,212	-3.0%	1,355,303	187,713,515	0.7%
Cigarette and Tobacco Tax	131,374,000	-1.7%	0	131,374,000	-1.7%	129,198,000	-1.7%	0	129,198,000	-1.7%
Insurance Companies Tax	80,715,000	0.0%	0	80,715,000	0.0%	80,715,000	0.0%	0	80,715,000	0.0%
Estate Tax	27,489,759	3.9%	0	27,489,759	3.9%	29,088,207	5.8%	0	29,088,207	5.8%
Other Taxes and Fees *	127,712,127	-2.3%	2,439,253	130,151,380	-2.0%	128,388,063	0.5%	2,597,331	130,985,394	0.6%
Fines, Forfeits and Penalties	24,397,754	0.0%	(976,088)	23,421,666	0.0%	24,397,754	0.0%	(976,088)	23,421,666	0.0%
Income from Investments	189,255	101.6%	0	189,255	101.6%	332,738	75.8%	0	332,738	75.8%
Transfer from Lottery Commission	57,816,776	1.4%	0	57,816,776	1.4%	58,823,279	1.7%	0	58,823,279	1.7%
Transfers to Tax Relief Programs *	(66,771,938)	-14.8%	0	(66,771,938)	-14.8%	(68,948,340)	-3.3%	0	(68,948,340)	-3.3%
Transfer to Municipal Rev. Sharing	(155,418,100)	-679.6%	(1,306,080)	(156,724,180)	-652.1%	(152,699,294)	1.7%	(303,353)	(153,002,647)	2.4%
Other Revenue *	35,825,722	-6.1%	(3,386,300)	32,439,422	-9.8%	37,849,836	5.6%	(3,326,871)	34,522,965	6.4%
Total - General Fund Revenue	**3,137,396,936**	**-4.0%**	**3,976,064**	**3,141,373,000**	**-4.1%**	**3,249,712,446**	**3.6%**	**4,821,630**	**3,254,534,076**	**3.6%**
Change in Biennial Totals								**8,797,694**		

* Additional detail provided on pages 4, 5 and 6

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2013 FORECAST

Source	FY09 Actual	FY10 Actual	% Chg.	FY11 Actual	% Chg.	FY12 Actual	% Chg.	FY13 Actual	% Chg.	FY13 Budget	FY13 Variance	% Var.
Detail of Other Taxes and Fees:												
- Property Tax - Unorganized Territory	12,633,755	13,217,886	4.6%	13,381,506	1.2%	10,726,997	-19.8%	13,333,294	24.3%	13,304,107	29,187	0.2%
- Real Estate Transfer Tax	17,184,746	12,181,181	-29.1%	13,815,942	13.4%	8,934,936	-35.3%	11,667,284	30.6%	10,842,526	824,758	7.6%
- Liquor Taxes and Fees	20,844,377	20,361,554	-2.3%	21,017,177	3.2%	20,994,195	-0.1%	21,145,992	0.7%	20,703,164	442,828	2.1%
- Corporation Fees & Licenses	7,931,072	8,168,981	3.0%	8,479,743	3.8%	8,496,444	0.2%	8,933,147	5.1%	7,847,099	1,086,048	13.8%
- Telecommunications Personal Prop. Tax	19,536,483	17,523,926	-10.3%	17,668,244	0.8%	10,869,966	-38.5%	10,076,113	-7.3%	10,000,000	76,113	0.8%
- Finance Industry Fees	23,901,210	23,831,582	-0.3%	24,688,570	3.6%	24,692,010	0.0%	25,070,880	1.5%	24,351,990	718,890	3.0%
- Milk Handling Fee	6,605,226	10,105,521	53.0%	3,845,823	-61.9%	1,997,125	-48.1%	2,381,329	19.2%	2,362,501	18,828	0.8%
- Casino and Racino Revenue	8,730,346	10,421,318	19.4%	10,597,066	1.7%	12,374,557	16.8%	14,429,212	16.6%	15,215,449	(786,237)	-5.2%
- Boat, ATV and Snowmobile Fees	4,262,523	4,730,068	11.0%	4,437,431	-6.2%	4,340,403	-2.2%	4,444,055	2.4%	4,763,561	(319,506)	-6.7%
- Hunting and Fishing License Fees	15,378,849	16,277,082	5.8%	15,863,627	-2.5%	15,874,952	0.1%	16,078,543	1.3%	16,214,189	(135,646)	-0.8%
- Other Miscellaneous Taxes and Fees	11,900,988	12,773,892	7.3%	17,881,366	40.0%	12,591,823	-29.6%	26,236,287	108.4%	25,289,741	946,546	3.7%
Subtotal - Other Taxes and Fees	148,909,575	149,592,993	0.5%	151,676,495	1.4%	131,893,407	-13.0%	153,796,137	16.6%	150,894,327	2,901,810	1.9%
Detail of Other Revenue:												
- Liquor Sales and Operations	6,220,864	6,784,941	9.1%	7,311,603	7.8%	8,049,429	10.1%	8,731,159	8.5%	8,725,209	5,950	0.1%
- Targeted Case Management (HHS)	13,946,371	19,490,000	39.7%	16,574,218	-15.0%	4,648,953	-72.0%	2,397,591	-48.4%	2,105,386	292,205	13.9%
- State Cost Allocation Program	16,104,670	16,008,673	-0.6%	14,408,283	-10.0%	13,652,052	-5.2%	15,599,487	14.3%	16,115,330	(515,843)	-3.2%
- Unclaimed Property Transfer	13,212,409	5,855,999	-55.7%	2,333,420	-60.2%	7,517,760	222.2%	10,801,929	43.7%	6,000,000	4,801,929	80.0%
- Tourism Transfer	(9,068,407)	(9,022,023)	0.5%	(9,048,877)	-0.3%	(9,419,745)	-4.1%	(9,932,319)	-5.4%	(9,932,319)	0	0.0%
- Transfer to Maine Milk Pool	(11,810,960)	(13,349,600)	-13.0%	(4,249,777)	68.2%	(1,602,708)	62.3%	(4,580,908)	-185.8%	(4,314,017)	(266,891)	6.2%
- Transfer to STAR Transportation Fund	0	(3,134,861)	N/A	(3,100,352)	1.1%	(3,196,872)	-3.1%	(6,137,811)	-92.0%	(6,137,811)	0	0.0%
- Other Miscellaneous Revenue	24,807,971	21,583,291	-13.0%	25,681,907	19.0%	33,718,027	31.3%	27,169,880	-19.4%	26,075,319	1,094,561	4.2%
Subtotal - Other Revenue	53,412,918	44,216,420	-17.2%	49,910,424	12.9%	53,366,896	6.9%	44,049,007	-17.5%	38,637,097	5,411,910	14.0%
Detail of Transfers to Tax Relief Programs:												
- Maine Resident Property Tax Program	(48,751,672)	(40,851,593)	16.2%	(41,449,010)	-1.5%	(43,411,086)	-4.7%	(41,841,767)	3.6%	(43,081,877)	1,240,110	-2.9%
- BETR - Business Equipment Tax Reimb.	(66,009,487)	(58,198,436)	11.8%	(55,220,851)	5.1%	(52,805,042)	4.4%	(48,854,458)	7.5%	(47,632,583)	(1,221,875)	2.6%
- BETE - Municipal Bus. Equip. Tax Reim	(8,170,661)	(14,554,901)	-78.1%	(17,264,724)	-18.6%	(19,120,021)	-10.7%	(20,978,108)	-9.7%	(21,372,102)	393,994	-1.8%
Subtotal - Tax Relief Transfers	(122,931,820)	(113,604,930)	7.6%	(113,934,585)	-0.3%	(115,336,149)	-1.2%	(111,674,333)	3.2%	(112,086,562)	412,229	-0.4%
IF&W Total Revenue **	20,579,500	22,039,520	7.1%	21,425,573	-2.8%	21,347,429	-0.4%	21,623,304	1.3%	21,891,335	(268,031)	-1.2%

** 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 - DECEMBER 2013 FORECAST

Source	FY14 Budget	% Chg.	Recom. Chg.	FY14 Revised	% Chg.	FY15 Budget	% Chg.	Recom. Chg.	FY15 Revised	% Chg.
Detail of Other Taxes and Fees:										
- Property Tax - Unorganized Territory	13,584,806	1.9%	0	13,584,806	1.9%	13,949,984	2.7%	0	13,949,984	2.7%
- Real Estate Transfer Tax	9,176,840	-21.3%	0	9,176,840	-21.3%	12,042,455	31.2%	0	12,042,455	31.2%
- Liquor Taxes and Fees	20,453,164	-3.3%	365,673	20,818,837	-1.5%	20,497,315	0.2%	518,375	21,015,690	0.9%
- Corporation Fees & Licenses	7,847,099	-12.2%	466,550	8,313,649	-6.9%	7,847,099	0.0%	466,550	8,313,649	0.0%
- Telecommunications Personal Prop. Tax	10,000,000	-0.8%	(2,000,000)	8,000,000	-20.6%	10,000,000	0.0%	(800,000)	9,200,000	15.0%
- Finance Industry Fees	23,851,990	-4.9%	1,000,000	24,851,990	-0.9%	23,851,990	0.0%	500,000	24,351,990	-2.0%
- Milk Handling Fee	1,105,967	-53.6%	97,969	1,203,936	-49.4%	1,105,967	0.0%	829,477	1,935,444	60.8%
- Casino and Racino Revenue	8,807,718	-39.0%	150,151	8,957,869	-37.9%	9,027,859	2.5%	228,547	9,256,406	3.3%
- Boat, ATV and Snowmobile Fees	4,523,561	1.8%	0	4,523,561	1.8%	4,523,561	0.0%	0	4,523,561	0.0%
- Hunting and Fishing License Fees	16,101,822	0.1%	0	16,101,822	0.1%	16,048,648	-0.3%	0	16,048,648	-0.3%
- Other Miscellaneous Taxes and Fees	11,863,281	-54.8%	488,300	12,351,581	-52.9%	11,864,106	0.0%	313,300	12,177,406	-1.4%
Subtotal - Other Taxes and Fees	127,316,248	-17.2%	568,643	127,884,891	-16.8%	130,758,984	2.7%	2,056,249	132,815,233	3.9%
Detail of Other Revenue:										
- Liquor Sales and Operations	8,407,196	-3.7%	0	8,407,196	-3.7%	9,742,384	15.9%	0	9,742,384	15.9%
- Targeted Case Management (HHS)	2,112,332	-11.9%	0	2,112,332	-11.9%	2,103,916	-0.4%	0	2,103,916	-0.4%
- State Cost Allocation Program	15,000,000	-3.8%	3,296,833	18,296,833	17.3%	15,000,000	0.0%	0	15,000,000	-18.0%
- Unclaimed Property Transfer	6,015,000	-44.3%	0	6,015,000	-44.3%	6,015,000	0.0%	0	6,015,000	0.0%
- Tourism Transfer	(10,283,750)	-3.5%	(98,134)	(10,381,884)	-4.5%	(11,088,846)	-7.8%	(570,221)	(11,659,067)	-12.3%
- Transfer to Maine Milk Pool	(87,250)	98.1%	(194,992)	(282,242)	93.8%	(866,715)	-893.4%	(2,489,129)	(3,355,844)	-1089.0%
- Transfer to STAR Transportation Fund	(6,122,258)	0.3%	52,357	(6,069,901)	1.1%	(6,187,481)	-1.1%	0	(6,187,481)	-1.9%
- Other Miscellaneous Revenue	21,767,497	-19.9%	1,212,690	22,980,187	-15.4%	23,438,773	7.7%	856,599	24,295,372	5.7%
Subtotal - Other Revenue	36,808,767	-16.4%	4,268,754	41,077,521	-6.7%	38,157,031	3.7%	(2,202,751)	35,954,280	-12.5%
Detail of Transfers to Tax Relief Programs:										
- Maine Resident Property Tax Program	0	100.0%	(760,000)	(760,000)	98.2%	0	N/A	0	0	100.0%
- BETR - Business Equipment Tax Reimb.	(38,205,000)	21.8%	0	(38,205,000)	21.8%	(31,080,000)	18.6%	0	(31,080,000)	18.6%
- BETE - Municipal Bus. Equip. Tax Reimb.	(22,575,498)	-7.6%	0	(22,575,498)	-7.6%	(27,103,362)	-20.1%	0	(27,103,362)	-20.1%
Subtotal - Tax Relief Transfers	(60,780,498)	45.6%	(760,000)	(61,540,498)	44.9%	(58,183,362)	4.3%	0	(58,183,362)	5.5%
IF&W Total Revenue **	21,532,511	-0.4%	0	21,532,511	-0.4%	21,478,162	-0.3%	0	21,478,162	-0.3%

** 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 - DECEMBER 2013 FORECAST

Source	FY16 Projections	% Chg.	Recom. Chg.	FY16 Revised	% Chg.	FY17 Projections	% Chg.	Recom. Chg.	FY17 Revised	% Chg.
Detail of Other Taxes and Fees:										
- Property Tax - Unorganized Territory	14,225,984	2.0%	0	14,225,984	2.0%	14,513,169	2.0%	0	14,513,169	2.0%
- Real Estate Transfer Tax	8,626,572	-28.4%	0	8,626,572	-28.4%	8,878,887	2.9%	0	8,878,887	2.9%
- Liquor Taxes and Fees	20,542,315	0.2%	672,603	21,214,918	0.9%	20,587,315	0.2%	828,373	21,415,688	0.9%
- Corporation Fees & Licenses	7,847,099	0.0%	466,550	8,313,649	0.0%	7,847,099	0.0%	466,550	8,313,649	0.0%
- Telecommunications Personal Prop. Tax	10,000,000	0.0%	(800,000)	9,200,000	0.0%	10,000,000	0.0%	(800,000)	9,200,000	0.0%
- Finance Industry Fees	23,851,990	0.0%	500,000	24,351,990	0.0%	23,851,990	0.0%	500,000	24,351,990	0.0%
- Milk Handling Fee	1,105,967	0.0%	1,105,969	2,211,936	14.3%	1,105,967	0.0%	1,105,969	2,211,936	0.0%
- Casino and Racino Revenue	9,118,898	1.0%	230,831	9,349,729	1.0%	9,210,847	1.0%	233,139	9,443,986	1.0%
- Boat, ATV and Snowmobile Fees	4,523,561	0.0%	0	4,523,561	0.0%	4,523,561	0.0%	0	4,523,561	0.0%
- Hunting and Fishing License Fees	16,016,148	-0.2%	0	16,016,148	-0.2%	16,016,148	0.0%	0	16,016,148	0.0%
- Other Miscellaneous Taxes and Fees	11,853,593	-0.1%	263,300	12,116,893	-0.5%	11,853,080	0.0%	263,300	12,116,380	0.0%
Subtotal - Other Taxes and Fees	127,712,127	-2.3%	2,439,253	130,151,380	-2.0%	128,388,063	0.5%	2,597,331	130,985,394	0.6%
Detail of Other Revenue:										
- Liquor Sales and Operations	9,666,500	-0.8%	0	9,666,500	-0.8%	9,844,500	1.8%	0	9,844,500	1.8%
- Targeted Case Management (HHS)	2,103,916	0.0%	0	2,103,916	0.0%	2,103,916	0.0%	0	2,103,916	0.0%
- State Cost Allocation Program	15,000,000	0.0%	0	15,000,000	0.0%	15,000,000	0.0%	0	15,000,000	0.0%
- Unclaimed Property Transfer	6,015,000	0.0%	0	6,015,000	0.0%	6,015,000	0.0%	0	6,015,000	0.0%
- Tourism Transfer	(11,978,102)	-8.0%	(628,636)	(12,606,738)	-8.1%	(10,978,732)	8.3%	(564,234)	(11,542,966)	8.4%
- Transfer to Maine Milk Pool	(864,059)	0.3%	(3,620,113)	(4,484,172)	-33.6%	(861,377)	0.3%	(3,619,236)	(4,480,613)	0.1%
- Transfer to STAR Transportation Fund	(6,250,356)	-1.0%	0	(6,250,356)	-1.0%	(6,313,859)	-1.0%	0	(6,313,859)	-1.0%
- Other Miscellaneous Revenue	22,132,823	-5.6%	862,449	22,995,272	-5.4%	23,040,388	4.1%	856,599	23,896,987	3.9%
Subtotal - Other Revenue	35,825,722	-6.1%	(3,386,300)	32,439,422	-9.8%	37,849,836	5.6%	(3,326,871)	34,522,965	6.4%
Detail of Transfers to Tax Relief Programs:										
- Maine Resident Property Tax Program	0	N/A	0	0	N/A	0	N/A	0	0	N/A
- BETR - Business Equipment Tax Reimb.	(35,000,000)	-12.6%	0	(35,000,000)	-12.6%	(32,000,000)	8.6%	0	(32,000,000)	8.6%
- BETE - Municipal Bus. Equip. Tax Reimb.	(31,771,938)	-17.2%	0	(31,771,938)	-17.2%	(36,948,340)	-16.3%	0	(36,948,340)	-16.3%
Subtotal - Tax Relief Transfers	(66,771,938)	-14.8%	0	(66,771,938)	-14.8%	(68,948,340)	-3.3%	0	(68,948,340)	-3.3%
IF&W Total Revenue **	21,445,149	-0.2%	0	21,445,149	-0.2%	21,679,791	1.1%	0	21,679,791	1.1%

** 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.

HIGHWAY FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2013 FORECAST

Source	FY09 Actual	FY10 Actual	% Chg.	FY11 Actual	% Chg.	FY12 Actual	% Chg.	FY13 Actual	% Chg.	FY13 Budget	FY13 Var.	% Var.
Fuel Taxes												
- Gasoline Tax	178,960,918	196,559,480	9.8%	194,958,019	-0.8%	196,418,900	0.7%	192,107,854	-2.2%	191,710,001	397,853	0.2%
- Special Fuel and Road Use Taxes	41,811,377	45,227,703	8.2%	44,588,438	-1.4%	45,804,718	2.7%	44,654,907	-2.5%	43,680,000	974,907	2.2%
- Transcap Transfers - Fuel Taxes	0	(17,631,888)	N/A	(17,554,820)	0.4%	(17,746,710)	1.1%	(17,414,097)	1.9%	(17,294,693)	(119,404)	0.7%
- Other Fund Gasoline Tax Distributions	(4,556,751)	(4,964,589)	-9.0%	(4,957,745)	0.1%	(5,013,790)	1.1%	(4,808,835)	4.1%	(4,794,093)	(14,742)	0.3%
Subtotal - Fuel Taxes	216,215,544	219,190,706	1.4%	217,033,892	-1.0%	219,463,118	1.1%	214,539,829	-2.2%	213,301,215	1,238,614	0.6%
Motor Vehicle Registration and Fees												
- Motor Vehicle Registration Fees	62,630,817	64,601,757	3.1%	65,067,731	0.7%	65,342,628	0.4%	65,602,936	0.4%	64,825,773	777,163	1.2%
- License Plate Fees	3,232,451	3,436,943	6.3%	3,424,536	-0.4%	3,476,000	1.5%	3,526,534	1.5%	3,351,681	174,853	5.2%
- Long-term Trailer Registration Fees	7,450,990	7,884,523	5.8%	9,792,983	24.2%	9,436,350	-3.6%	9,801,658	3.9%	9,384,523	417,135	4.4%
- Title Fees	9,780,026	10,846,661	10.9%	11,261,301	3.8%	12,074,653	7.2%	19,182,454	58.9%	18,749,539	432,915	2.3%
- Motor Vehicle Operator License Fees	8,489,006	5,820,958	-31.4%	6,112,149	5.0%	8,358,214	36.7%	8,540,242	2.2%	8,521,255	18,987	0.2%
- Transcap Transfers - Motor Vehicle Fees	0	(14,823,141)	N/A	(14,817,460)	0.0%	(15,124,443)	-2.1%	(17,320,622)	-14.5%	(17,047,282)	(273,340)	1.6%
Subtotal - Motor Vehicle Reg. & Fees	91,583,289	77,767,700	-15.1%	80,841,240	4.0%	83,563,402	3.4%	89,333,202	6.9%	87,785,489	1,547,713	1.8%
Motor Vehicle Inspection Fees	2,975,807	2,810,679	-5.5%	2,977,702	5.9%	2,997,953	0.7%	3,495,704	16.6%	2,982,500	513,204	17.2%
Other Highway Fund Taxes and Fees	1,392,598	1,338,193	-3.9%	1,358,167	1.5%	1,361,886	0.3%	1,309,810	-3.8%	1,276,365	33,445	2.6%
Fines, Forfeits and Penalties	1,785,197	1,440,062	-19.3%	1,145,044	-20.5%	1,044,271	-8.8%	1,030,267	-1.3%	1,039,868	(9,601)	-0.9%
Income from Investments	480,419	162,488	-66.2%	124,518	-23.4%	141,082	13.3%	105,414	-25.3%	99,513	5,901	5.9%
Other Highway Fund Revenues	9,809,296	8,480,545	-13.5%	7,870,593	-7.2%	8,630,697	9.7%	9,011,474	4.4%	8,920,662	90,812	1.0%
Total - Highway Fund Revenue	**324,242,149**	**311,190,374**	**-4.0%**	**311,351,155**	**0.1%**	**317,202,409**	**1.9%**	**318,825,700**	**0.5%**	**315,405,612**	**3,420,088**	**1.1%**

HIGHWAY FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2013 FORECAST

Source	FY14 Budget	% Chg.	Recom. Chg.	FY14 Revised	% Chg.	FY15 Budget	% Chg.	Recom. Chg.	FY15 Revised	% Chg.
Fuel Taxes										
- Gasoline Tax	188,780,000	-1.7%	0	188,780,000	-1.7%	187,910,000	-0.5%	0	187,910,000	-0.5%
- Special Fuel and Road Use Taxes	42,980,000	-3.8%	0	42,980,000	-3.8%	42,610,000	-0.9%	0	42,610,000	-0.9%
- Transcap Transfers - Fuel Taxes	(17,027,939)	-2.2%	0	(17,027,939)	2.2%	(16,936,571)	0.5%	0	(16,936,571)	0.5%
- Other Fund Gasoline Tax Distributions	(4,720,821)	-1.8%	0	(4,720,821)	1.8%	(4,699,064)	0.5%	0	(4,699,064)	0.5%
Subtotal - Fuel Taxes	210,011,240	-2.1%	0	210,011,240	-2.1%	208,884,365	-0.5%	0	208,884,365	-0.5%
Motor Vehicle Registration and Fees										
- Motor Vehicle Registration Fees	64,805,936	-1.2%	853,600	65,659,536	0.1%	64,805,936	0.0%	853,600	65,659,536	0.0%
- License Plate Fees	3,351,681	-5.0%	0	3,351,681	-5.0%	3,351,681	0.0%	0	3,351,681	0.0%
- Long-term Trailer Registration Fees	9,384,523	-4.3%	0	9,384,523	-4.3%	9,384,523	0.0%	0	9,384,523	0.0%
- Title Fees	12,417,140	-35.3%	426,520	12,843,660	-33.0%	12,702,734	2.3%	426,520	13,129,254	2.2%
- Motor Vehicle Operator License Fees	8,522,204	-0.2%	0	8,522,204	-0.2%	7,425,882	-12.9%	0	7,425,882	-12.9%
- Transcap Transfers - Motor Vehicle Fees	(15,118,567)	12.7%	(280,120)	(15,398,687)	11.1%	(15,203,284)	-0.6%	(280,120)	(15,483,404)	-0.6%
Subtotal - Motor Vehicle Reg. & Fees	83,362,917	-6.7%	1,000,000	84,362,917	-5.6%	82,467,472	-1.1%	1,000,000	83,467,472	-1.1%
Motor Vehicle Inspection Fees	2,982,500	-14.7%	0	2,982,500	-14.7%	2,982,500	0.0%	0	2,982,500	0.0%
Other Highway Fund Taxes and Fees	1,313,165	0.3%	0	1,313,165	0.3%	1,276,365	-2.8%	0	1,276,365	-2.8%
Fines, Forfeits and Penalties	1,039,868	0.9%	(31,870)	1,007,998	-2.2%	1,039,868	0.0%	(31,870)	1,007,998	0.0%
Income from Investments	99,435	-5.7%	1,390	100,825	-4.4%	113,022	13.7%	0	113,022	12.1%
Other Highway Fund Revenues	9,048,884	0.4%	(251,666)	8,797,218	-2.4%	9,090,044	0.5%	(32,000)	9,058,044	3.0%
Total - Highway Fund Revenue	**307,858,009**	**-3.4%**	**717,854**	**308,575,863**	**-3.2%**	**305,853,636**	**-0.7%**	**936,130**	**306,789,766**	**-0.6%**
Change in Biennial Totals								**1,653,984**		

HIGHWAY FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2013 FORECAST

Source	FY16 Projections	% Chg.	Recom. Chg.	FY16 Revised	% Chg.	FY17 Projections	% Chg.	Recom. Chg.	FY17 Revised	% Chg.
Fuel Taxes										
- Gasoline Tax	187,530,000	-0.2%	0	187,530,000	-0.2%	187,150,000	-0.2%	0	187,150,000	-0.2%
- Special Fuel and Road Use Taxes	42,390,000	-0.5%	0	42,390,000	-0.5%	42,170,000	-0.5%	0	42,170,000	-0.5%
- Transcap Transfers - Fuel Taxes	(16,892,283)	0.3%	0	(16,892,283)	0.3%	(16,847,996)	0.3%	0	(16,847,996)	0.3%
- Other Fund Gasoline Tax Distributions	(4,689,563)	0.2%	0	(4,689,563)	0.2%	(4,680,060)	0.2%	0	(4,680,060)	0.2%
Subtotal - Fuel Taxes	208,338,154	-0.3%	0	208,338,154	-0.3%	207,791,944	-0.3%	0	207,791,944	-0.3%
Motor Vehicle Registration and Fees										
- Motor Vehicle Registration Fees	64,805,936	0.0%	853,600	65,659,536	0.0%	64,805,936	0.0%	853,600	65,659,536	0.0%
- License Plate Fees	3,351,681	0.0%	0	3,351,681	0.0%	3,351,681	0.0%	0	3,351,681	0.0%
- Long-term Trailer Registration Fees	9,384,523	0.0%	0	9,384,523	0.0%	9,384,523	0.0%	0	9,384,523	0.0%
- Title Fees	12,702,734	0.0%	426,520	13,129,254	0.0%	12,702,734	0.0%	426,520	13,129,254	0.0%
- Motor Vehicle Operator License Fees	7,425,882	0.0%	0	7,425,882	0.0%	7,425,881	0.0%	0	7,425,881	0.0%
- Transcap Transfers - Motor Vehicle Fees	(15,203,284)	0.0%	(280,120)	(15,483,404)	0.0%	(15,203,284)	0.0%	(280,120)	(15,483,404)	0.0%
Subtotal - Motor Vehicle Reg. & Fees	82,467,472	0.0%	1,000,000	83,467,472	0.0%	82,467,471	0.0%	1,000,000	83,467,471	0.0%
Motor Vehicle Inspection Fees	2,982,500	0.0%	0	2,982,500	0.0%	2,982,500	0.0%	0	2,982,500	0.0%
Other Highway Fund Taxes and Fees	1,276,365	0.0%	0	1,276,365	0.0%	1,276,365	0.0%	0	1,276,365	0.0%
Fines, Forfeits and Penalties	1,039,868	0.0%	(31,870)	1,007,998	0.0%	1,039,868	0.0%	(31,870)	1,007,998	0.0%
Income from Investments	291,666	158.1%	0	291,666	158.1%	458,305	57.1%	0	458,305	57.1%
Other Highway Fund Revenues	9,090,044	0.0%	(32,000)	9,058,044	0.0%	9,090,044	0.0%	(32,000)	9,058,044	0.0%
Total - Highway Fund Revenue	**305,486,069**	**-0.1%**	**936,130**	**306,422,199**	**-0.1%**	**305,106,497**	**-0.1%**	**936,130**	**306,042,627**	**-0.1%**
Change in Biennial Totals								**1,872,260**		

FUND FOR A HEALTHY MAINE (FHM) REVENUE
(TOBACCO SETTLEMENT REVENUE)

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2013 FORECAST

Source	FY09 Actual	FY10 Actual	% Chg.	FY11 Actual	% Chg.	FY12 Actual	% Chg.	FY13 Actual	% Chg.	FY13 Budget	Variance	% Chg.
Tobacco Settlement Payments:												
- Base Payments	52,579,385	43,756,453	-16.8%	41,484,712	-5.2%	42,306,831	2.0%	42,276,735	-0.1%	42,536,456	(259,721)	-0.6%
- Strategic Contribution Payments	10,799,369	9,375,838	-13.2%	8,544,647	-8.9%	8,702,217	1.8%	8,709,923	0.1%	8,450,202	259,721	3.1%
Racino Revenue *	4,981,163	4,500,000	-9.7%	4,500,000	0.0%	4,500,000	0.0%	0	-100.0%	0	0	N/A
Income from Investments	49,819	20,511	-58.8%	2,494	-87.8%	7,858	215.0%	5,657	-28.0%	4,469	1,188	26.6%
Attorney General Reimbursements and Other Income **	0	(92,660)	N/A	(145,147)	-56.6%	0	100.0%	0	N/A	0	0	N/A
Total - FHM Revenue	**68,409,736**	**57,560,142**	**-15.9%**	**54,386,707**	**-5.5%**	**55,516,906**	**2.1%**	**50,992,315**	**-8.1%**	**50,991,127**	**1,188**	**-8.2%**

* 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. PL 2011 c. 380, Part II extended the $4.5 million cap through 2012-13. PL 2011 c. 477 re-directed $2 million of the 2012-13 transfer to the General Fund and PL 2011, c. 657 re-directed the remaining $2.5 million of the 2012-13 transfer 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. PL 2011 c. 380, Part II eliminated this transfer effective July 1, 2011.

FUND FOR A HEALTHY MAINE (FHM) REVENUE
(TOBACCO SETTLEMENT REVENUE)

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2013 FORECAST

Source	FY14 Budget	% Chg.	Recom. Chg.	FY14 Revised	% Chg.	FY15 Budget	% Chg.	Recom. Chg.	FY15 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	40,587,014	-4.0%	1,238,840	41,825,854	-1.1%	40,154,309	-1.1%	1,225,472	41,379,781	-1.1%
- Strategic Contribution Payments	8,359,943	-4.0%	257,088	8,617,031	-1.1%	8,270,648	-1.1%	254,483	8,525,131	-1.1%
Racino Revenue *	4,474,606	N/A	(215,463)	4,259,143	N/A N/A	4,622,788	3.3%	(191,808)	4,430,980	4.0%
Income from Investments	3,631	-35.8%	123	3,754	-33.6%	5,090	40.2%	0	5,090	35.6%
Attorney General Reimbursements and Other Income **	0	N/A	0	0	N/A	0	N/A	0	0	N/A
Total - FHM Revenue	**53,425,194**	**4.8%**	**1,280,588**	**54,705,782**	**7.3%**	**53,052,835**	**-0.7%**	**1,288,147**	**54,340,982**	**-0.7%**
Change in Biennial Totals								**2,568,735**		

* 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. PL 2011 c. 380, Part II extended the $4.5 million cap through 2012-13. PL 2011 c. 477 re-directed $2 million of the 2012-13 transfer to the General Fund and PL 2011, c. 657 re-directed the remaining $2.5 million of the 2012-13 transfer 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. PL 2011 c. 380, Part II eliminated this transfer effective July 1, 2011.

FUND FOR A HEALTHY MAINE (FHM) REVENUE
(TOBACCO SETTLEMENT REVENUE)

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2013 FORECAST

Source	FY16 Projections	% Chg.	Recom. Chg.	FY16 Revised	% Chg.	FY17 Projections	% Chg.	Recom. Chg.	FY17 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	39,726,217	-1.1%	1,212,249	40,938,466	-1.1%	39,302,688	-1.1%	1,199,169	40,501,857	-1.1%
- Strategic Contribution Payments	8,182,307	-1.1%	251,903	8,434,210	-1.1%	8,094,910	-1.1%	249,349	8,344,259	-1.1%
Racino Revenue *	4,669,016	1.0%	(193,726)	4,475,290	1.0%	4,715,706	1.0%	(195,663)	4,520,043	1.0%
Income from Investments	13,485	164.9%	0	13,485	164.9%	17,949	33.1%	0	17,949	33.1%
Attorney General Reimbursements and Other Income **	0	N/A	0	0	N/A	0	N/A	0	0	N/A
Total - FHM Revenue	**52,591,025**	**-0.9%**	**1,270,426**	**53,861,451**	**-0.9%**	**52,131,253**	**-0.9%**	**1,252,855**	**53,384,108**	**-0.9%**
Change in Biennial Totals								**2,523,281**		

* 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. PL 2011 c. 380, Part II extended the $4.5 million cap through 2012-13. PL 2011 c. 477 re-directed $2 million of the 2012-13 transfer to the General Fund and PL 2011, c. 657 re-directed the remaining $2.5 million of the 2012-13 transfer 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. PL 2011 c. 380, Part II eliminated this transfer effective July 1, 2011.

MEDICAID/MAINECARE DEDICATED REVENUE TAXES

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2013 FORECAST

Source	FY09 Actual	FY10 Actual	% Chg.	FY11 Actual	% Chg.	FY12 Actual	% Chg.	FY13 Actual	% Chg.	FY13 Budget	Variance	% Chg.
Nursing Facility Tax*	28,777,390	32,403,540	12.6%	31,728,140	-2.1%	34,073,327	7.4%	35,370,670	3.8%	35,349,317	21,353	3.7%
Residential Treatment Facility (ICFs/MR) Tax*	1,572,670	1,859,374	18.2%	1,817,768	-2.2%	2,113,206	16.3%	1,929,457	-8.7%	1,970,446	(40,989)	-6.8%
Hospital Tax **	69,958,821	70,140,794	0.3%	80,595,499	14.9%	80,909,981	0.4%	80,942,050	0.0%	81,386,215	(444,165)	0.6%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)***	37,720,482	35,609,109	-5.6%	33,880,370	-4.9%	34,829,087	2.8%	34,998,876	0.5%	34,569,000	429,876	-0.7%
Total - Health Care Provider Taxes	**138,029,363**	**140,012,817**	**1.4%**	**148,021,777**	**5.7%**	**151,925,600**	**2.6%**	**153,241,054**	**0.9%**	**153,274,978**	**(33,924)**	**0.9%**

* 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. PL 2011, c. 411 increases the rates back to 6% effective October 1, 2011 consistent with federal law.

** The hospital tax base year was modified in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09; again in PL 2009, c. 571 to hospital fiscal years ending during calendar year 2008 beginning in FY 11 and again in PL 2013, c. 368 to hospital fiscal years ending during calendar year 2012 beginning in FY 14.

*** 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 - DECEMBER 2013 FORECAST

Source	FY14 Budget	% Chg.	Recom. Chg.	FY14 Revised	% Chg.	FY15 Budget	% Chg.	Recom. Chg.	FY15 Revised	% Chg.
Nursing Facility Tax*	35,349,317	-0.1%	0	35,349,317	-0.1%	35,349,317	0.0%	0	35,349,317	0.0%
Residential Treatment Facility (ICFs/MR) Tax*	1,970,446	2.1%	0	1,970,446	2.1%	1,970,446	0.0%	0	1,970,446	0.0%
Hospital Tax **	99,255,811	22.6%	0	99,255,811	22.6%	99,255,811	0.0%	0	99,255,811	0.0%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)	35,229,896	0.7%	216,047	35,445,943	1.3%	35,229,896	0.0%	216,047	35,445,943	0.0%
Total - Health Care Provider Taxes	**171,805,470**	**12.1%**	**216,047**	**172,021,517**	**12.3%**	**171,805,470**	**0.0%**	**216,047**	**172,021,517**	**0.0%**
Change in Biennial Totals								**432,094**		

* 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. PL 2011, c. 411 increases the rates back to 6% effective October 1, 2011 consistent with federal law.

** The hospital tax base year was modified in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09; again in PL 2009, c. 571 to hospital fiscal years ending during calendar year 2008 beginning in FY 11 and again in PL 2013, c. 368 to hospital fiscal years ending during calendar year 2012 beginning in FY 14.

MEDICAID/MAINECARE DEDICATED REVENUE TAXES

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2013 FORECAST

Source	FY 16 Projections	% Chg.	Recom. Chg.	FY16 Revised	% Chg.	FY 17 Projections	% Chg.	Recom. Chg.	FY17 Revised	% Chg.
Nursing Facility Tax*	35,349,317	0.0%	0	35,349,317	0.0%	35,349,317	0.0%	0	35,349,317	0.0%
Residential Treatment Facility (ICFs/MR) Tax*	1,970,446	0.0%	0	1,970,446	0.0%	1,970,446	0.0%	0	1,970,446	0.0%
Hospital Tax **	99,255,811	0.0%	0	99,255,811	0.0%	99,255,811	0.0%	0	99,255,811	0.0%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)	35,229,896	0.0%	216,047	35,445,943	0.0%	35,229,896	0.0%	216,047	35,445,943	0.0%
Total - Health Care Provider Taxes	**171,805,470**	**0.0%**	**216,047**	**172,021,517**	**0.0%**	**171,805,470**	**0.0%**	**216,047**	**172,021,517**	**0.0%**
Change in Biennial Totals								**432,094**		

* 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. PL 2011, c. 411 increases the rates back to 6% effective October 1, 2011 consistent with federal law.

** The hospital tax base year was modified in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09; again in PL 2009, c. 571 to hospital fiscal years ending during calendar year 2008 beginning in FY 11 and again in PL 2013, c. 368 to hospital fiscal years ending during calendar year 2012 beginning in FY 14.

Revenue Forecasting Committee
December 2013 Forecast

Appendix E

Economic Background Information

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Report of the
CONSENSUS ECONOMIC FORECASTING COMMISSION
November 1, 2013

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Vice President
Goold Health Systems, an Emdeon Company

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Bangor Hydro Electric / Maine Public Service

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J. Scott Moody
Chief Executive Officer
Maine Heritage Policy Center

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Central Maine Power

Summary

The Maine Consensus Economic Forecasting Commission (CEFC) convened on October 25, 2013, to review and revise the April 2013 forecast. This report provides a summary of the Commission's findings.

The Maine and U.S. economies continue on a slow and bumpy road to recovery since the CEFC last met in March 2013, with Maine's economy continuing to grow more slowly than the nation as a whole. Maine's Gross Domestic Product for 2012 was slightly higher than 2011, with all of the growth coming from private industry, but total GDP growth for the state was below the national rate of growth. Personal income in Maine grew 2.3% year-over-year in the first half of 2013, while wage and salary income, which makes up about half of total personal income, grew 2.1% over the same period. The debt-to-income level for Maine businesses and households continued its recent slow rise to 22.4%. The Consumer Price Index was 1.5% higher in August 2013 than it was in August 2012, driven largely by increases in fuels and utilities.

Nationwide, consumer sentiment declined 5.6% month-over-month in September due to the then-looming government shutdown, while small business optimism remained relatively stable over the month and was up over the previous year's level.

The price of crude oil increased 6.3% in the third quarter of 2013 to around $110 per barrel. Heating oil and gasoline prices remained relatively steady. The number of new automobile titles issued by the Maine Bureau of Motor Vehicles increased in FY 2012 compared to FY 2011, although the number of used auto titles decreased.

Existing single-family home sales in Maine were up 20% in August 2013 compared to August 2012 and housing permits for the September 2012-August 2013 year were 13% higher than the previous September-August period. The median home price in the Portland Metropolitan Statistical Area (York, Cumberland, and Sagadahoc Counties) increased 3.3% year-over-year in the second quarter of 2013. Mortgage delinquency rates remain well above pre-recession levels but below peak crisis levels. The foreclosure rate in Maine increased in the second quarter of 2013 and remains well above pre-recession levels.

The federal government experienced a 16-day shutdown earlier in October, ending shortly before the debt ceiling deadline was reached as Congress and the President came to agreement on a short-term solution. While there are certainly negative economic effects from the shutdown, not least of which is an erosion of consumer confidence, the relatively short length of the shutdown avoided any severe economic consequences. However, the next budget and debt ceiling debate will occur soon, with the next deadlines in January and February 2014. If a similar scenario were to play out, economic conditions may deteriorate further, posing a risk to the forecast in the near term. The CEFC will review and revise the forecast by February 1, 2014, and will consider the impacts of actual policy decisions at the federal level at that time. It is important to note that the national forecasts that were considered by the CEFC (IHS Global Insight and Moody's Analytics) were produced before the federal government shutdown had run its course and are based on more optimistic scenarios than actually occurred.

The major revisions to the forecast were to wage and salary employment, wage and salary income, supplements to wages and salaries, and total personal income. These changes were made based on a consensus that Moody's Analytics and Global Insight forecasts are based on overly optimistic population projections for the state of Maine, causing employment forecasts, among

other things, to grow at an unattainable rate. For this reason, employment and the components of income most closely correlated with employment levels were revised downwards.

The 2013 wage and salary employment forecast was revised downwards 0.2 percentage points, from 0.7% to 0.5%, while the 2014-2017 employment forecast was revised downwards 0.3 percentage points each year (to 0.7% for 2014-2016 and 0.5% for 2017). Wage and salary income growth was revised downwards for 2014-2017 based on the lower employment growth. Total personal income was also revised downwards for 2013-2015, reflecting the lower wage and salary income growth. Personal income for 2016 was revised upwards by 0.1 percentage point and 2017 was left unchanged. Inflation, as measured by the Consumer Price Index (CPI), was revised downwards by 0.1 percentage point for 2013 and 2014 and upwards by 0.1 percentage point for 2015-2017.

The table below provides the forecast's major indicators.

Calendar Years	***2012***	**2013**	**2014**	**2015**	**2016**	**2017**
Wage & Salary Employment (Annual Percentage Change)						
CEFC Forecast 04/2013	***0.5***	**0.7**	**1.0**	**1.0**	**1.0**	**0.8**
CEFC Forecast 11/2013	***0.5***	**0.5**	**0.7**	**0.7**	**0.7**	**0.5**
Personal Income (Annual Percentage Change)						
CEFC Forecast 04/2013	***3.2***	**2.5**	**4.6**	**3.9**	**4.0**	**4.3**
CEFC Forecast 11/2013	***3.2***	**2.3**	**4.4**	**3.8**	**4.1**	**4.3**
Wage and Salary Income (Annual Percentage Change)						
CEFC Forecast 04/2013	***1.4***	**2.4**	**3.9**	**3.8**	**3.8**	**3.7**
CEFC Forecast 11/2013	***2.3***	**2.4**	**3.4**	**3.4**	**3.4**	**3.4**
CPI (Annual Percentage Change)						
CEFC Forecast 04/2013	***2.1***	**1.6**	**1.7**	**1.6**	**1.8**	**1.8**
CEFC Forecast 11/2013	***2.1***	**1.5**	**1.6**	**1.7**	**1.9**	**1.9**

On October 18, 2013, the CEFC held a data gathering session during which they heard from a variety of Maine industry associations as well as from Alicia Sasser Modestino, a senior economist for the Federal Reserve Bank of Boston's New England Public Policy Center. The presenters included the Maine Bankers Association, Maine Association of REALTORS, Manufacturers Association of Maine, Maine Automobile Dealers Association, Maine Medical Association, and Maine Forest Products Council, with additional material provided by the Maine Hospital Association. The summary of this data gathering session is available in a separate report. Overall, these business perspectives helped confirm the CEFC's subsequent findings that demographic headwinds present significant challenges for economic growth in the state.

In deliberations leading to consensus, the CEFC considered information presented by several state agencies, including the Maine Department of Labor, Maine Revenue Services, and the Office of Policy and Management. The following sections summarize these reports.

Office of Policy and Management

In 2012, Maine's real Gross Domestic Product was $45.986 billion, with $39.992 billion coming from private industries and $6.011 billion from government (federal, state, and local). All of Maine's recent growth in GDP has come from private industry. Maine's total real GDP increased

0.5% from 2011 to 2012, the third year in a row of GDP growth. However, this was considerably lower than national GDP growth, which was 2.5% from 2011 to 2012.

According to preliminary estimates from the U.S. Bureau of Economic Analysis, total personal income grew 2.3% year-over-year and wage and salary income grew 2.1% year-over-year in the first half of 2013. Total personal income for the second half of 2013 would need to be 1.0% higher than the first half of 2013 to hit the CEFC's annual forecast for 2013. Wage and salary disbursements would need to be 0.4% higher. Wage and salary disbursements, which are the largest component of personal income, averaged around $25 billion in the first half of 2013 (seasonally adjusted at annual rates). Total personal income averaged around $54 billion. Maine's debt to income ratio was 22.4% in the second quarter of 2013. The debt to income ratio has been rising gradually since early 2011 following a sharp increase in the fourth quarter of 2010.

The Consumer Price Index (CPI) rose 1.5% from August 2012 to August 2013. Core inflation, which excludes food and energy prices, rose 1.8% over the same period, due largely to increases in fuel and utilities. The Chained Consumer Price Index (Chained CPI) rose 1.4% from August 2012 to August 2013. Core inflation rose 1.6% over the same period. Chained CPI allows for substitutions in the basket of goods and services being measured.

In September 2013, the survey-based University of Michigan Consumer Sentiment Index decreased 5.6% month-over-month and was down 1.0% from a year ago as a result of the as-then anticipated government shutdown. The survey-based National Federation of Independent Business (NFIB) Small Business Optimism Index decreased 0.2% from the previous month, although it was up 1.2% from September 2012.

The price of Brent crude oil was $109.65 per barrel in the third quarter of 2013, an increase of 6.3% from the second quarter of 2013 and a 0.2% increase from the third quarter of 2012. The price of heating oil in Maine at the start of the 2013-2014 season ($3.57/gallon on October 7, 2013) is slightly lower than the end of the 2012-2013 season. The price of heating oil in Maine has been fairly steady over the past two heating seasons, averaging around $3.76/gallon. The price of gasoline in New England on October 7, 2013 averaged $3.65, a decrease of $0.04 per gallon over the previous week and a decrease of $0.38 from the previous year. The price of gasoline has ranged between approximately $3.50 and $4.00 per gallon since March of 2011.

The number of new automobile titles issued by the Maine Bureau of Motor Vehicles increased 6.5% from FY 2011 to FY 2012, while the number of used automobile titles issued decreased 3.5%.

Single family existing-home sales in Maine were up 20.0% in August 2013 compared to August 2012. Average monthly single unit housing permits in Maine in the 12-month period from September 2012 through August 2013 were 13.1% higher than in the previous 12-month period. The median home price in the Portland – South Portland – Biddeford metropolitan area increased 3.3% year-over-year in the second quarter of 2013. The median home price in the second quarter of 2013 was $233,400. The share of mortgages in Maine that are delinquent 30 days or more was 7.3% in the second quarter of 2013. That is below the recent peak of 9% in the first quarter of 2010 but well above pre-recession levels. Maine's foreclosure rate increased to 1.04% in the second quarter of 2013 and remains well above pre-recession levels and is now considerably higher than the U.S. rate.

Maine Department of Labor

Workforce conditions continue to gradually improve in Maine. Our unemployment rate has trended modestly lower the last three years due to a rising share of employed population. This is in significant contrast to the nation. The U.S. unemployment rate has declined much more than in Maine, but that has entirely been due to millions leaving the labor force. The U.S. share of employed population has been virtually unchanged for 3.5 years. National job growth has been just under working age population growth.

Payroll job growth in Maine has lagged the nation during the recovery, reflecting our lack of working age population growth, a consequence of far fewer births the last 25 years. Private sector payroll job growth continues to be partially offset by declines in government. During the recovery, growth has been concentrated in human capital intensive sectors, including professional services, education, and health care. Job losses during and after the downturn have been concentrated in labor-intensive sectors, including manufacturing, construction, and retail. A large share of workers displaced from those sectors lack the education or experience to become employed in the sectors that are growing. This gap is a significant constraint to growth that hampers re-employment prospects for thousands.

The other major constraint to growth is the age structure of our population. We have an unusually large share of people approaching retirement age. The CEFC has relied on forecasts provided by Moody's Analytics and Global Insight, two of the leading commercial forecasters. Their forecasts have consistently over-projected growth in Maine, in large part because they have not fully accounted for our age profile. Staff at the Department of Labor's Center for Workforce Research developed an alternative employment forecast by applying employment to population ratios for age cohorts to population projections developed by the Office of Policy and Management for each cohort. That simple forecast method indicates job growth is unlikely to reach levels Moody's or GI have forecast. Rather, it indicates that once the labor market slack in the form unemployed workers becoming re-employed is alleviated, the number of jobs in Maine is likely to begin to trend lower sometime around 2020.

The presentation is available at
www.maine.gov/labor/cwri/publications/pdf/CEFC_October_2013.pdf

Maine Revenue Services

Total general fund revenues for the month of September 2013 were over budget by $20 million and over budget for the fiscal year-to-date by $13.3 million (2.2%). This positive variance is coming primarily from the individual income tax line, which was $19 million over budget for the month and $13 million over budget fiscal year-to-date. Of the variance for the month, about half is from estimated payments, which are up about 12% over September 2012. Most other states also saw an increase in the third estimated payment for the tax year. Withholding receipts were slightly behind budget for the fiscal year, but on target for the calendar year.

The sales and use tax line was over budget by 3.9% (about $4 million) for September and over by 3.7% (about $7.6 million) for the fiscal year-to-date. There could have been some pre-buying

of high end goods in advance of the October 1 tax increase, but it will be impossible to separate that effect out from the effects of the government shutdown, which also began October 1. Taxable sales were up 6.0% for August 2013 compared to August 2012 and for the three months ending in August were up 5.5% compared to a year ago. The growth is coming in large part from two categories: building supply and auto/transportation, although lodging sales were also up significantly for August. Both building supply and auto/transportation are interest rate-sensitive; when interest rates increase, home and auto sales may decline. The national holiday shopping season forecast is for growth at approximately 3%, which is historically low and would be lower than last year. If this growth rate holds true for Maine, it would be low compared to historical growth but higher than last year's 1.8% decline.

The highway fund is about $1.4 million over budget fiscal year-to-date, with a 3.5% increase in fuel tax collections driving the increase. However, even with the current increase, the fuel tax is flat compared to last year.

Macroeconomic Assumptions

Two different baseline economic forecasts were examined at the meeting: the Moody's Analytics baseline scenario and the IHS Global Insight baseline scenario. Each forecast was based on a different set of national macroeconomic assumptions. These forecasts were then compared to the CEFC's April 2013 forecast. Overall, the CEFC felt the Global Insight assumptions and forecast better reflected their current views of the economy. The key national macroeconomic assumptions from Global Insight are outlined below.

- The forecast, which was released in early October, assumed a one-week government shutdown with back pay for furloughed employees restored and an increase in the debt ceiling before the October 17 deadline.
- The sequester stays in place through the end of the year. For FY 2014, a budget slightly more than $967 billion will be in effect and contributions to GDP from federal government are slightly negative throughout most of the forecast period.
- Emergency unemployment insurance benefits were extended for 2013 and are assumed to phase out over several years instead of cutting off in 2014. The 50% bonus depreciation is not extended for 2014.
- Global oil capacity will be lower than anticipated in 2014 and 2015. Brent crude oil averages $104/barrel in 2014.
- The Federal Reserve will hold rates near zero until late 2015 and the QE3 program of mortgage-backed security purchases will end during 2014.
- The euro will weaken in late 2014 before rising in 2015 as the Eurozone economy strengthens.
- GDP growth in the U.S.'s major-currency trading partners will pick up in 2014 and 2015 as the Eurozone and UK experience stronger growth.

Consensus Forecast

The CEFC members were sympathetic to the population and labor force issues raised in the Department of Labor presentation and concurred that the national forecasts are likely overly optimistic in their population and employment projections for the state. The Commission decided to lower the employment forecast to reach a level more in line with current population trends and

historical employment to population ratios. The new forecast results in employment around 616,000 in 2017; this remains below the pre-recession employment peak.

The CEFC then adjusted its forecast of wage and salary income growth to reflect the reduction in employment. This resulted in leaving 2013 growth untouched and then reducing wage and salary income by 0.5 percentage points in 2014, 0.4 percentage points in 2015-2016, and 0.3 percentage points in 2017 for a rate of 3.4% for 2014-2017. The forecast for other labor income (also known as supplements to wages and salaries) was also reduced, assuming a high correlation with employment levels. The other components of personal income were adopted from the Global Insight baseline. This overall result was a slight reduction in the total personal income forecast for 2013-2015, a 0.1 percentage point increase for 2016, and no change to 2017.

The CEFC accepted the Global Insight forecast for inflation, as measured by the Consumer Price Index, for all years. The inflation forecast calls for relatively steady growth between 1.5% this year and 1.9% in 2016-2017. The CEFC also agreed with the Global Insight forecast for corporate profits.

In general, the CEFC felt that Maine is experiencing growth, albeit at a slower rate than the U.S., and there continue to be some sources of concern, including the upcoming federal budget and debt ceiling debate that will lend a high degree of uncertainty to the February 1, 2014, forecast.

The following page provides the full forecast.

Maine Consensus Economic Forecasting Commission

November 2013 Forecast	History	Forecast				
	2012	2013	2014	2015	2016	2017
CPI-U* (Annual Change)	2.1%	1.5%	1.6%	1.7%	1.9%	1.9%
CPI for Energy Prices** (Annual Change)	0.9%	-0.8%	-1.3%	-0.4%	1.4%	1.3%
Average Price of a New Vehicle** (Annual Change)	0.5%	1.2%	3.4%	2.9%	2.3%	3.0%
New Vehicle Registrations** (Annual Change)	11.2%	12.1%	0.6%	0.7%	0.7%	0.1%
Personal Savings Rate**	5.6%	4.5%	5.0%	5.4%	5.8%	6.2%
Maine Unemployment Rate**	7.3%	6.9%	6.3%	5.7%	5.3%	5.0%
3-Month Treasury Bill Rate**	0.09%	0.05%	0.08%	0.40%	2.18%	3.62%
10-Year Treasury Note Rate**	1.80%	2.33%	2.91%	3.23%	3.81%	4.48%
Before-Tax Corporate Profits* (Annual Change)	18.5%	1.3%	12.3%	0.8%	0.2%	-1.3%
Maine Wage & Salary Employment* (thousands)	597.6	600.6	604.8	609.0	613.3	616.4
Natural Resources	2.5	2.5	2.4	2.4	2.5	2.5
Construction	25.6	26.3	26.3	26.3	26.3	26.4
Manufacturing	50.8	50.9	50.9	52.0	52.4	52.0
Trade/Trans./Public Utils.	117.5	118.8	120.1	120.8	121.7	122.6
Information	7.9	8.2	8.3	8.3	8.4	8.6
Financial Activities	31.4	31.2	31.0	30.8	30.5	30.2
Prof. & Business Services	57.9	59.3	61.5	64.0	66.0	67.7
Education & Health Services	121.1	120.2	121.2	122.2	124.3	126.5
Leisure & Hospitality Services	61.7	62.9	63.2	63.7	63.9	64.3
Other Services	20.0	20.0	19.7	19.5	19.3	19.2
Government	101.3	100.2	100.2	100.3	100.4	100.6
Agricultural Employment	14.0	14.0	14.0	14.0	14.0	14.0
Maine Wage & Salary Employment* (Annual Change)	0.5%	0.5%	0.7%	0.7%	0.7%	0.5%
Natural Resources	0.0%	-0.4%	-2.4%	0.7%	0.4%	0.0%
Construction	1.2%	2.8%	-0.2%	0.0%	0.1%	0.2%
Manufacturing	0.2%	0.1%	0.1%	2.2%	0.7%	-0.8%
Trade/Trans./Public Utils.	0.4%	1.1%	1.1%	0.6%	0.7%	0.7%
Information	-4.8%	3.7%	1.0%	0.1%	1.9%	1.6%
Financial Activities	-0.6%	-0.7%	-0.6%	-0.6%	-0.9%	-1.3%
Prof. & Business Services	0.7%	2.5%	3.6%	4.1%	3.1%	2.5%
Education & Health Services	1.2%	-0.7%	0.8%	0.8%	1.7%	1.8%
Leisure & Hospitality Services	2.8%	2.0%	0.5%	0.8%	0.3%	0.6%
Other Services	0.5%	-0.2%	-1.3%	-0.9%	-0.9%	-0.5%
Government	-0.8%	-1.1%	0.0%	0.1%	0.0%	0.2%
Agricultural Employment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2012	2013	2014	2015	2016	2017
Personal Income* ($ million)	53,283	54,505	56,910	59,070	61,475	64,134
Wage & Salary Disbursements*	24,359	24,943	25,792	26,668	27,575	28,513
Supplements to Wages & Salaries*	6,296	6,441	6,664	6,904	7,160	7,439
Non-Farm Proprietors' Income*	3,932	4,182	4,404	4,621	4,830	4,991
Farm Proprietors' Income**	88	123	127	138	148	141
Dividends, Interest, & Rent*	9,249	9,684	10,342	10,863	11,503	12,466
Dividends	2,662	2,908	3,243	3,368	3,525	3,652
Interest	4,297	4,558	4,754	5,175	5,707	6,566
Rent	2,289	2,219	2,345	2,321	2,271	2,248
Transfer Payments*	11,828	12,204	12,850	13,369	13,985	14,515
Less: Contributions to Social Ins.**	3,602	4,217	4,449	4,703	4,963	5,199
Residence Adjustment**	1,133	1,146	1,180	1,208	1,237	1,268
Personal Income* (Annual Change)	3.2%	2.3%	4.4%	3.8%	4.1%	4.3%
Wage & Salary Disbursements*	2.3%	2.4%	3.4%	3.4%	3.4%	3.4%
Supplements to Wages & Salaries*	3.3%	2.3%	3.5%	3.6%	3.7%	3.9%
Non-Farm Proprietors' Income*	7.6%	6.4%	5.3%	4.9%	4.5%	3.3%
Farm Proprietors' Income**	-13.5%	39.4%	3.4%	9.0%	7.0%	-4.5%
Dividends, Interest, & Rent*	5.6%	4.7%	6.8%	5.0%	5.9%	8.4%
Dividends	9.6%	9.2%	11.5%	3.8%	4.7%	3.6%
Interest	0.2%	6.1%	4.3%	8.9%	10.3%	15.1%
Rent	12.1%	-3.1%	5.7%	-1.0%	-2.1%	-1.0%
Transfer Payments*	1.6%	3.2%	5.3%	4.0%	4.6%	3.8%
Less: Contributions to Social Ins.**	2.6%	17.1%	5.5%	5.7%	5.5%	4.8%
Residence Adjustment**	2.8%	1.1%	3.0%	2.3%	2.4%	2.5%

*CEFC Forecast

**From Global Insight - October 2013

Remaining lines derived from CEFC forecast by CEFC staff and reviewed by CEFC

Consensus Economic Forecasting Commission

Comparison of April 2013 and November 2013 Economic Forecasts

Calendar Years	2012	2013	2014	2015	2016	2017
• Wage & Salary Employment (Annual Percentage Change)						
> Consensus 4/2013	**0.3%**	**0.7%**	**1.0%**	**1.0%**	**1.0%**	**0.8%**
> Consensus 11/2013	**0.5%**	**0.5%**	**0.7%**	**0.7%**	**0.7%**	**0.5%**
Difference	**0.2%**	**-0.2%**	**-0.3%**	**-0.3%**	**-0.3%**	**-0.3%**
• Personal Income (Annual Percentage Change)						
> Consensus 4/2013	**3.2%**	**2.5%**	**4.6%**	**3.9%**	**4.0%**	**4.3%**
> Consensus 11/2013	**3.2%**	**2.3%**	**4.4%**	**3.8%**	**4.1%**	**4.3%**
Difference	**0.0%**	**-0.2%**	**-0.2%**	**-0.1%**	**0.1%**	**0.0%**
Major Components of Personal Income						
Wage and Salary Disbursements						
> Consensus 4/2013	1.4%	2.4%	3.9%	3.8%	3.8%	3.7%
> Consensus 11/2013	2.3%	2.4%	3.4%	3.4%	3.4%	3.4%
Difference	0.9%	0.0%	-0.5%	-0.4%	-0.4%	-0.3%
Supplements to Wages and Salaries						
> Consensus 4/2013	1.3%	3.6%	4.1%	4.0%	4.2%	4.2%
> Consensus 11/2013	3.3%	2.3%	3.5%	3.6%	3.7%	3.9%
Difference	2.0%	-1.3%	-0.6%	-0.4%	-0.5%	-0.3%
Non-Farm Proprietors' Income						
> Consensus 4/2013	5.5%	5.4%	6.5%	5.6%	4.4%	3.0%
> Consensus 11/2013	7.6%	6.4%	5.3%	4.9%	4.5%	3.3%
Difference	2.1%	1.0%	-1.2%	-0.7%	0.1%	0.3%
Dividends, Interest and Rent						
> Consensus 4/2013	5.6%	4.9%	5.9%	4.2%	4.6%	7.9%
> Consensus 11/2013	5.6%	4.7%	6.8%	5.0%	5.9%	8.4%
Difference	0.0%	-0.2%	0.9%	0.8%	1.3%	0.5%
Transfer Payments						
> Consensus 4/2013	5.0%	3.8%	5.5%	4.1%	4.5%	3.9%
> Consensus 11/2013	1.6%	3.2%	5.3%	4.0%	4.6%	3.8%
Difference	-3.4%	-0.6%	-0.2%	-0.1%	0.1%	-0.1%
• Consumer Price Index (Annual Percentage Change)						
> Consensus 4/2013	**2.1%**	**1.6%**	**1.7%**	**1.6%**	**1.8%**	**1.8%**
> Consensus 11/2013	**2.1%**	**1.5%**	**1.6%**	**1.7%**	**1.9%**	**1.9%**
Difference	**0.0%**	**-0.1%**	**-0.1%**	**0.1%**	**0.1%**	**0.1%**
• Before Tax Corporate Profits (Annual Percentage Change)						
> Consensus 4/2013	**16.1%**	**-3.3%**	**12.6%**	**-3.0%**	**-4.3%**	**-3.1%**
> Consensus 11/2013	**18.5%**	**1.3%**	**12.3%**	**0.8%**	**0.2%**	**-1.3%**
Difference	**2.4%**	**4.6%**	**-0.3%**	**3.8%**	**4.5%**	**1.8%**

Prepared by the Office of Fiscal and Program Review

Assumptions Used in Sales & Excise Model

(1) Total Personal Income

(2) Inflation (CPI-U)

(3) Total Employment Growth
  (a) Growth by Sector

(4) Forecast of CPI for Energy Prices (Global Insights – October 2013)

(5) Forecast of new passenger car & light truck registrations in Maine (Global Insights – October 2013)

(6) Forecast of average price of new vehicle (Global Insight – October 2013)

(7) Forecast of Personal Savings Rate (Global Insight – October 2013)

Assumptions Used in Individual Income Tax Model

(8) Total Personal Income
  (a) Growth by Component

(9) Inflation (CPI-U)

(10) Total Employment Growth

(11) Unemployment Rate

(12) 3-Month Treasury Bill Rate

(13) 10-Year Treasury Note Rate

Assumptions Used in Corporate Income Tax Model

(14) Inflation (CPI-U)

(11) Total Employment Growth
  (a) Growth by Sector

(12) Forecast of Before-Tax Corporate Book Profits (Global Insight – October 2013)

Economic Variables Used in Revenue Forcast - Actuals 2009-12 & October, 2013 Global Insight Forecast 2013-17

	2009	2010	2011	2012	2013	2014	2015	2016	2017
Oil - Brent Crude ($ per barrel)	**61.57**	**79.84**	**110.95**	**111.78**	108.43	103.92	99.17	97.91	99.41
Consumer Prices	**-0.3**	**1.6**	**3.1**	**2.1**	1.5	1.6	1.7	1.9	1.9
Fuel Oil & Other Fuels	**-31.5%**	**17.0%**	**27.2%**	**1.3%**	-2.2%	-2.2%	-0.5%	0.6%	1.8%
Electricity	**3.0%**	**0.2%**	**1.9%**	**0.0%**	2.0%	2.1%	1.1%	2.3%	2.3%
Natural Gas	**-21.9%**	**-2.0%**	**-2.8%**	**-9.7%**	5.4%	2.1%	2.8%	9.3%	-3.2%
New Motor Vehicles	**1.0**	**2.1**	**3.3**	**0.5**	1.2	3.4	2.9	2.3	3.0
Motor Vehicle Fuels, Lubricants & Fluids	**-26.8%**	**18.2%**	**25.7%**	**3.5%**	-2.9%	-3.4%	-1.8%	-0.5%	1.5%
Saving Rate (%)	**6.1**	**5.6**	**5.7**	**5.6**	4.5	5.0	5.4	5.8	6.2
Maine New Passenger Car & Light Truck Registrations (Thous.)	**45.27**	**45.95**	**46.67**	**51.90**	58.17	58.50	58.93	59.33	59.40
Maine Population (Thous.)	**1329.34**	**1327.96**	**1328.61**	**1329.31**	1330.43	1332.16	1334.21	1336.39	1338.65
Population US, Millions	**307.6**	**310.1**	**312.3**	**314.6**	317.0	319.5	321.9	324.4	326.9
Maine Home Price, Existing Median (Dollars)	**$183,162**	**$182,044**	**$179,348**	**$178,529**	$186,068	$197,035	$202,081	$207,566	$214,035
Maine Home Sales, Existing Single-Family (Thousands)	**18.52**	**19.33**	**19.12**	**20.76**	22.77	24.91	27.47	26.05	24.50
Household Net Worth (Percent change)	**1.8**	**6.1**	**-0.4**	**7.4**	9.3	2.9	0.9	1.3	1.8
Before-Tax Corporate Profits	**6.2**	**25.0**	**0.7**	**18.5**	1.3	12.3	0.8	0.2	-1.3

Consumer Energy Prices (2009=100)										
Total	123.4	100.0	110.1	127.4	129.2	128.1	126.3	125.6	127.1	128.7
Motor Vehicle Fuels, Lubricants & Fluids	136.6	100.0	118.2	148.6	153.9	149.4	144.4	141.8	141.1	143.2
Gasoline (cents/gallon, NSA)	331.7	240.1	283.6	357.7	369.5	359.5	350.3	345.5	345.4	352.0
Fuel Oil & Other Fuels	146.0	100.0	117.0	148.7	150.6	147.3	144.1	143.5	144.4	147.0
Electricity	97.1	100.0	100.2	102.1	102.0	104.1	106.3	107.5	109.9	112.4
Natural Gas	128.2	100.1	98.1	95.4	86.1	90.7	92.7	95.3	104.1	100.8

APPENDIX F

Maine Revenue Services Recommendations and Other Background Materials

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Sales & Use Tax

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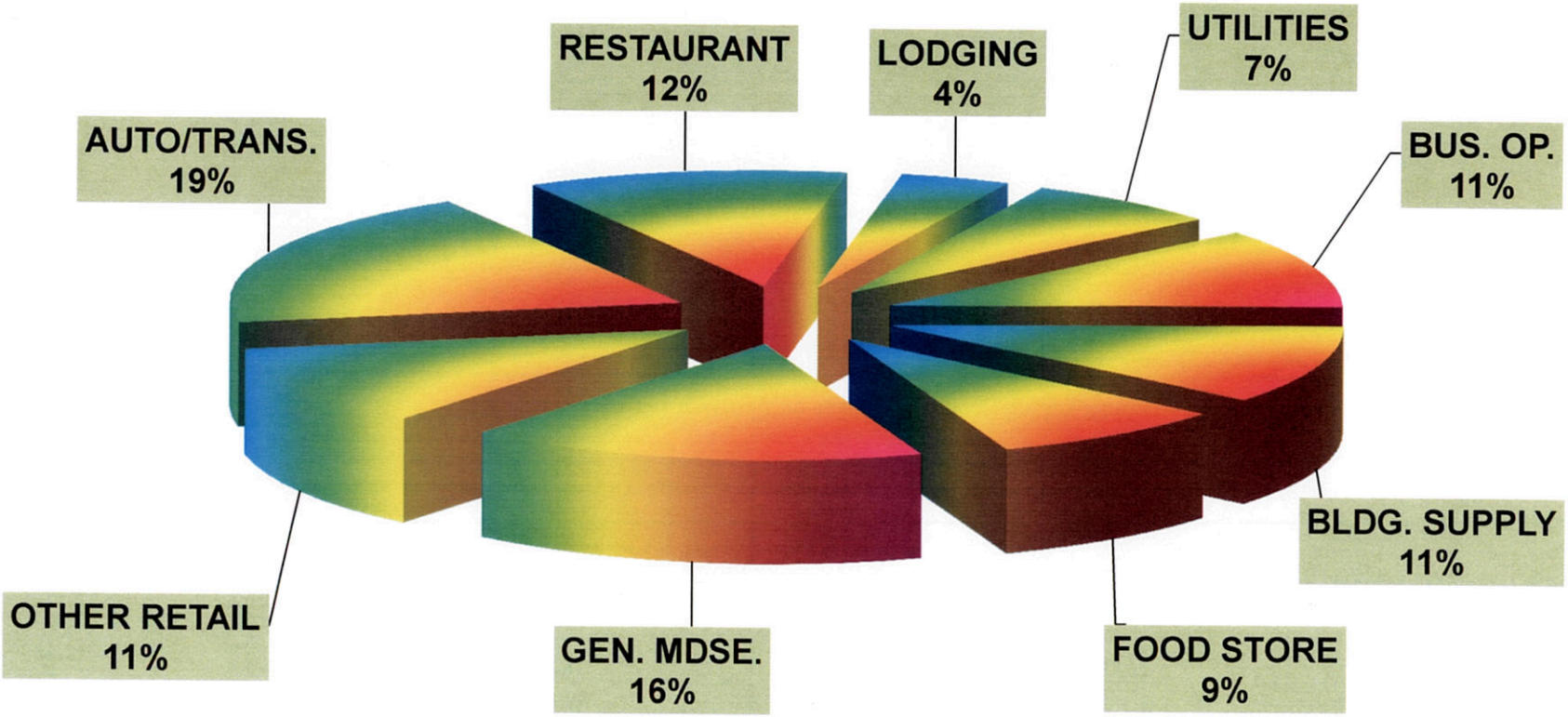
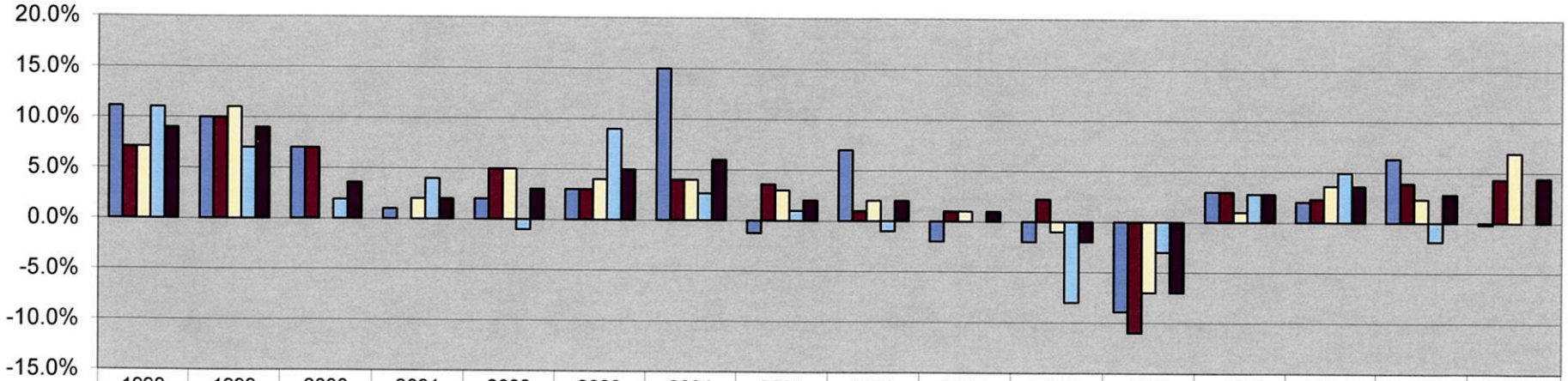
Maine Revenue Services
Taxable Sales by Sector
In Thousands of Dollars

	Sept. '13	% Ch.	Sept. '12	% Ch.	Sept. ' 11	Average Last 3 Mos. Vs. Last Yr. % Change	Moving Total Last 12 Mos. Vs. Prior % Change	YTD Growth CY'13 vs. '12 Thru. Sept. % Change
Building Supply	$222,278.1	13.6%	$195,680.2	-6.7%	$209,621.0	10.3%	1.1%	5.7%
Food Store	$149,338.5	1.4%	$147,205.8	1.6%	$144,931.6	1.7%	1.1%	1.0%
General Merchandise	$271,227.1	-2.5%	$278,119.5	4.4%	$266,271.7	0.6%	0.4%	1.0%
Other Retail	$219,076.9	6.7%	$205,266.3	0.7%	$203,810.1	4.4%	1.5%	3.2%
Auto/Transportation	$360,966.6	14.5%	$315,326.1	3.3%	$305,120.0	13.1%	6.4%	8.0%
Restaurant	$223,550.7	0.3%	$222,982.4	4.9%	$212,596.6	3.4%	2.9%	3.1%
Lodging	$104,072.7	5.4%	$98,699.4	8.1%	$91,332.7	6.8%	5.8%	5.9%
Consumer Sales	$1,550,510.6	6.0%	$1,463,279.7	2.1%	$1,433,683.7	6.1%	2.7%	4.2%
Business Operating	$197,328.1	8.9%	$181,272.4	-5.9%	$192,702.0	14.9%	4.2%	5.7%
Total	$1,747,838.7	6.3%	$1,644,552.1	1.1%	$1,626,385.7	6.9%	2.9%	4.4%

2012 Maine Taxable Sales by Sector



Total Taxable Sales

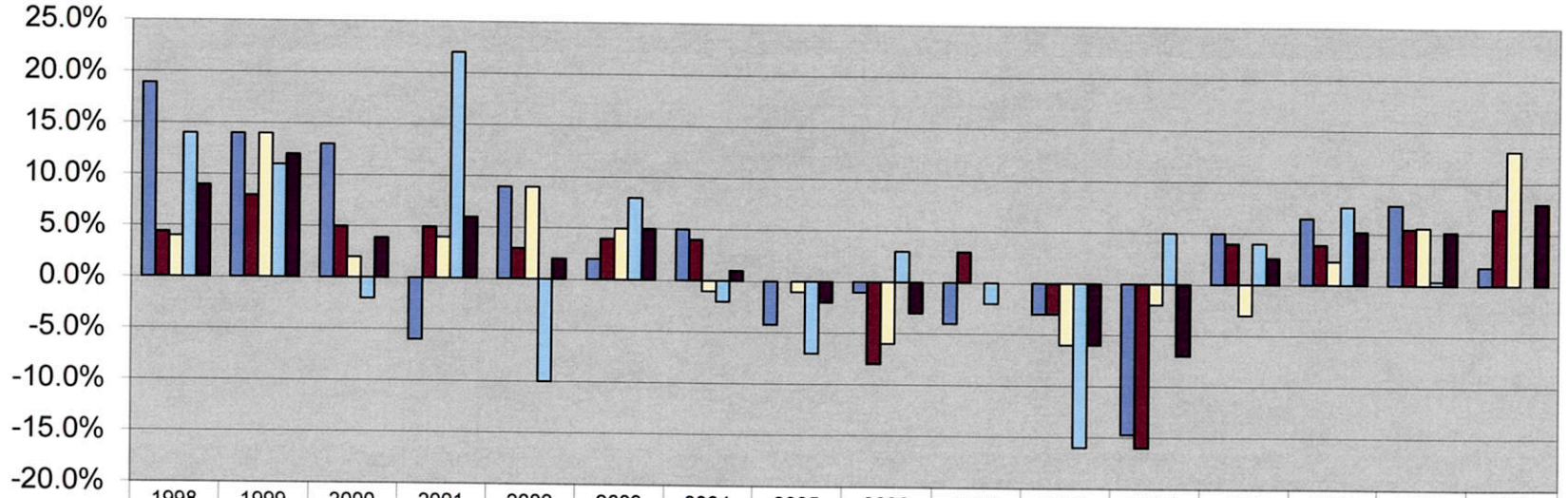


	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Qtr. I	11.1%	10.0%	7.0%	1.0%	2.0%	3.0%	15.0%	-1.2%	7.0%	-2.0%	-2.0%	-8.9%	3.0%	2.0%	6.3%	-0.2%
Qtr. II	7.1%	10.0%	7.0%	0.0%	5.0%	3.0%	4.0%	3.6%	1.0%	1.0%	2.2%	-11.0%	3.0%	2.3%	3.9%	4.3%
Qtr. III	7.1%	11.0%	0.0%	2.0%	5.0%	4.0%	4.0%	3.0%	2.0%	1.0%	-1.0%	-7.0%	1.0%	3.6%	2.3%	6.9%
Qtr. IV	11.0%	7.0%	1.9%	4.0%	-1.0%	9.0%	2.7%	1.0%	-1.0%	0.0%	-8.0%	-3.0%	2.8%	4.9%	-1.9%	
Year	9.0%	9.0%	3.6%	2.0%	3.0%	5.0%	6.0%	2.0%	2.0%	1.0%	-2.0%	-7.0%	2.8%	3.6%	2.8%	4.4%

Year-Over-Year Percent Change

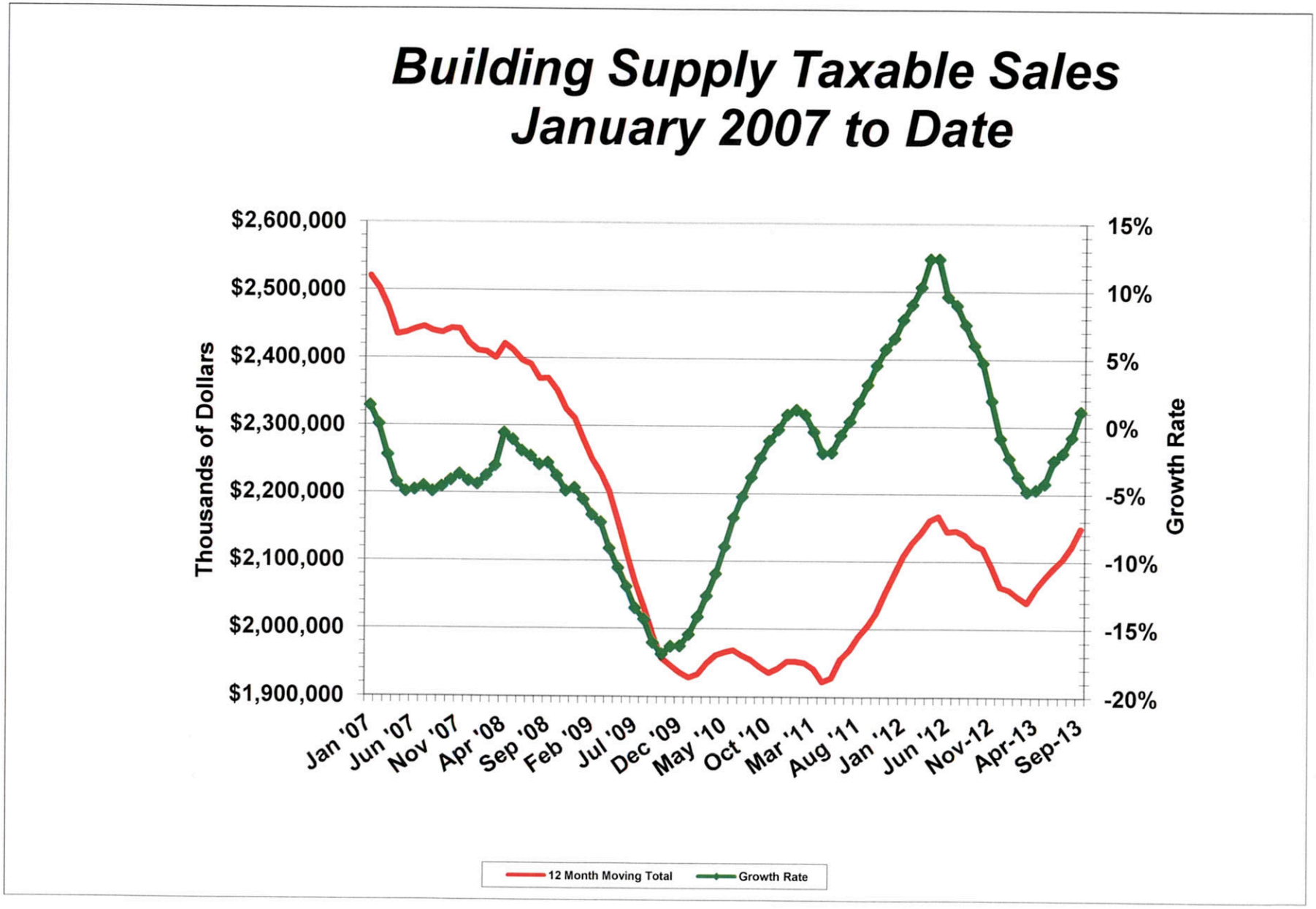
Quarter & Calendar Year

Auto/Transportation Taxable Sales

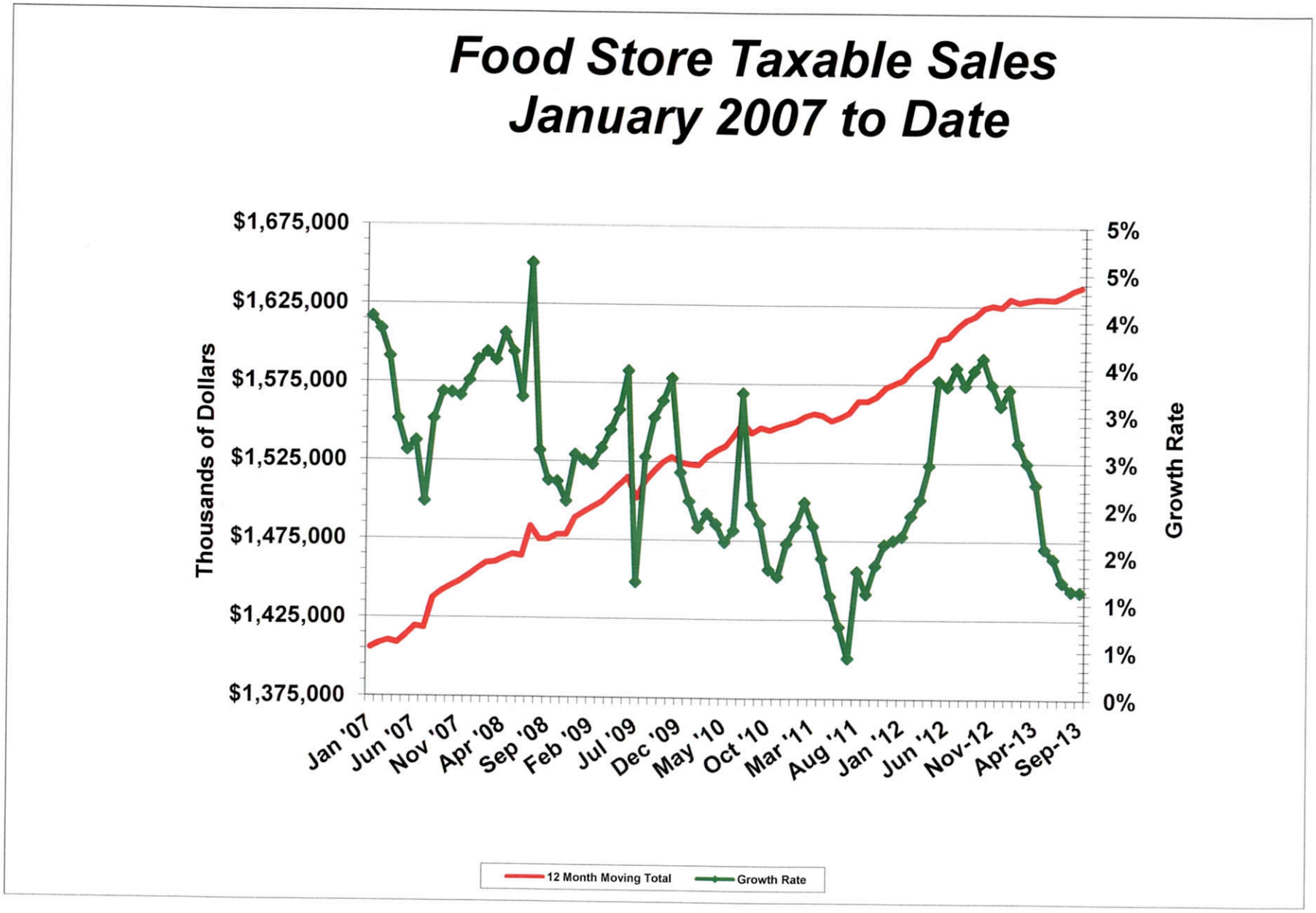


	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Qtr. I	18.9%	14.0%	13.0%	-6.0%	9.0%	2.0%	5.0%	-4.2%	-1.0%	-4.0%	-3.0%	-14.7%	5.0%	6.5%	7.8%	1.8%
Qtr. II	4.4%	8.0%	5.0%	5.0%	3.0%	4.0%	4.0%	0.0%	-8.0%	3.0%	-3.0%	-16.0%	4.0%	3.9%	5.5%	7.5%
Qtr. III	4.0%	14.0%	2.0%	4.0%	9.0%	5.0%	-1.0%	-1.0%	-6.0%	0.0%	-6.0%	-2.0%	-3.0%	2.3%	5.6%	13.1%
Qtr. IV	14.0%	11.0%	-2.0%	22.0%	-10.0%	8.0%	-2.0%	-7.0%	3.0%	-2.0%	-16.0%	5.0%	4.0%	7.6%	0.4%	
Year	9.0%	12.0%	3.9%	6.0%	2.0%	5.0%	1.0%	-2.0%	-3.0%	0.0%	-6.0%	-7.0%	2.6%	5.2%	5.2%	8.0%

Quarter & Calendar Year

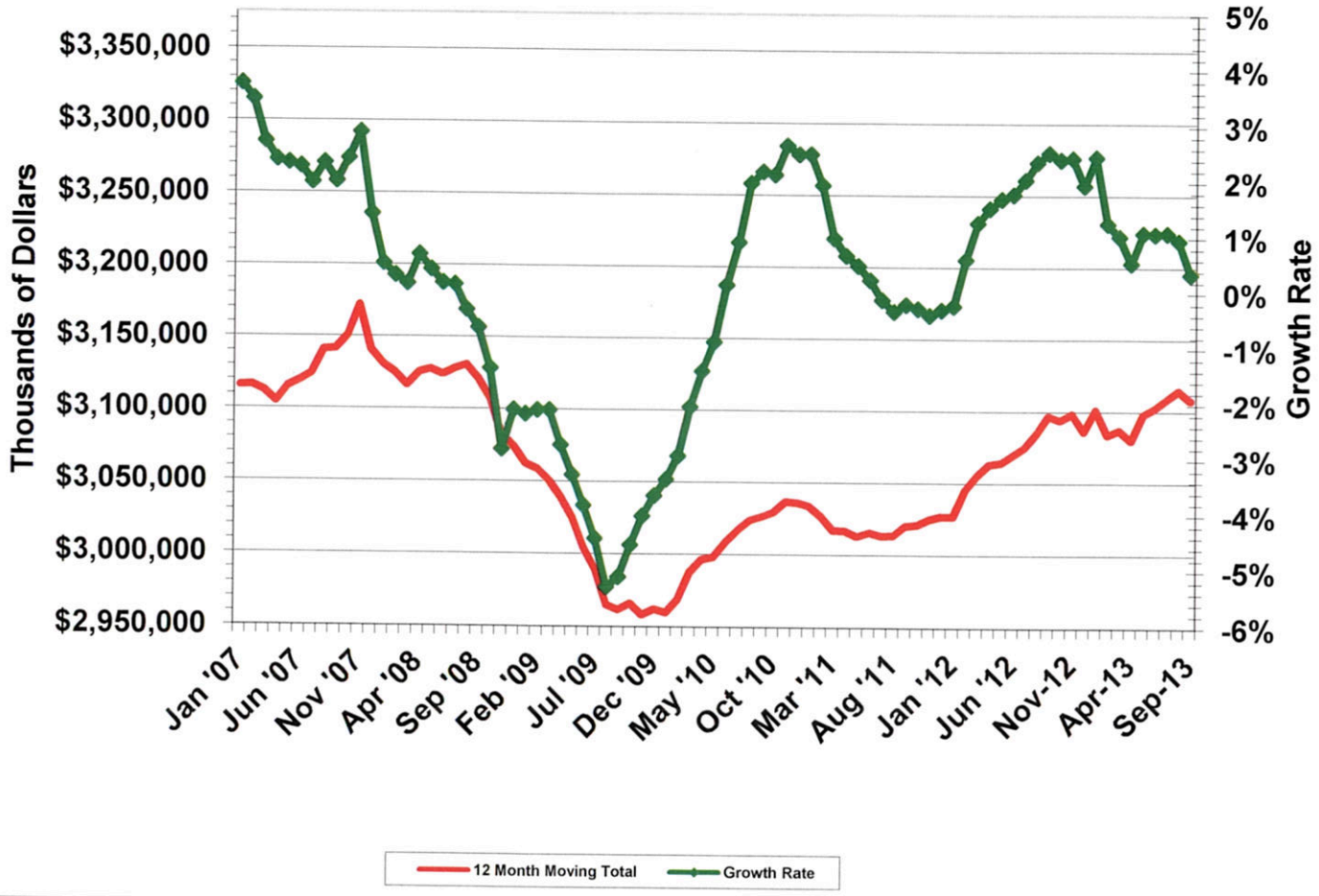


Maine Revenue Services Office of Tax Policy 11/12/2013

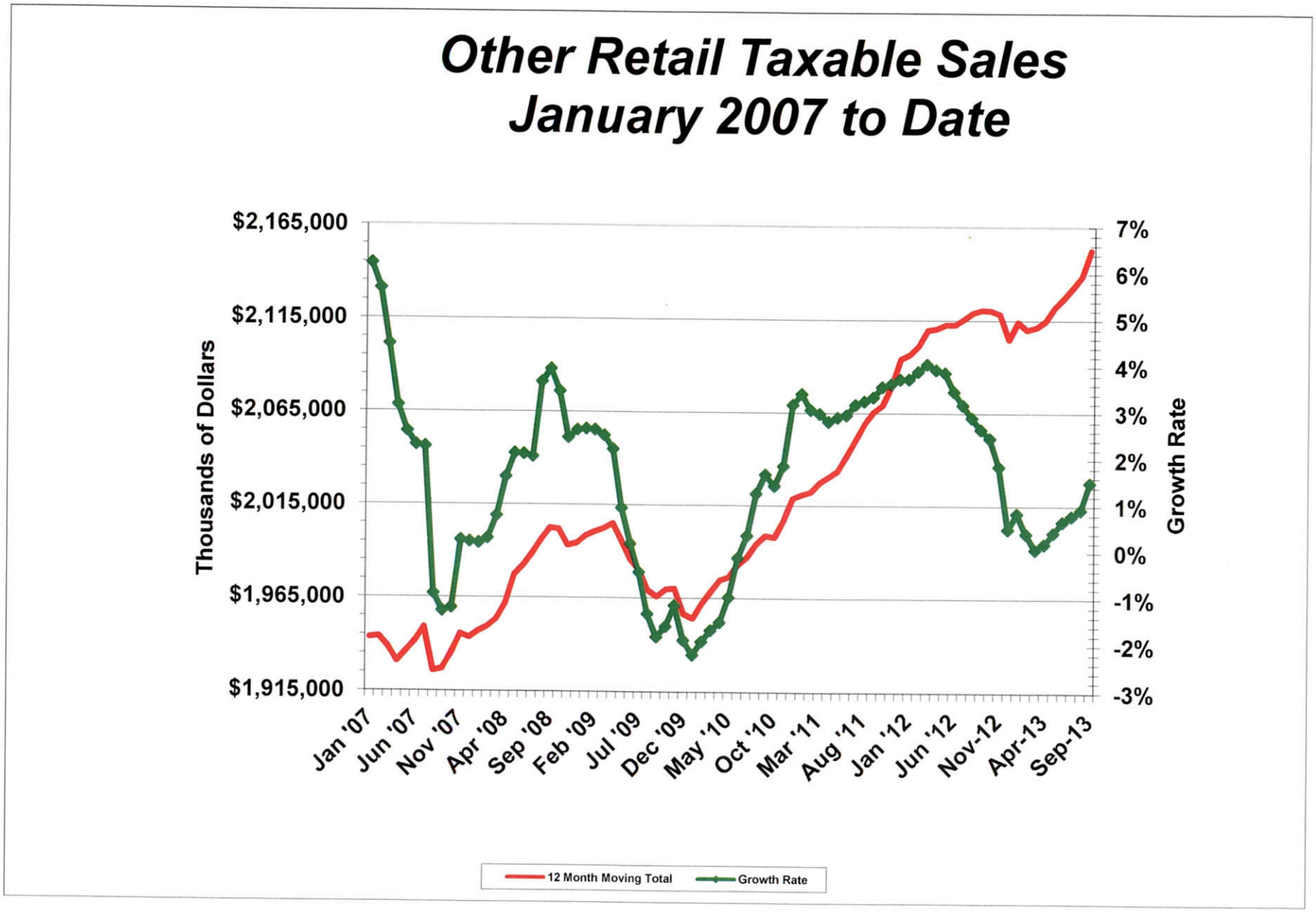


Maine Revenue Services Office of Tax Policy 11/12/2013

General Merchandise Taxable Sales
January 2007 to Date

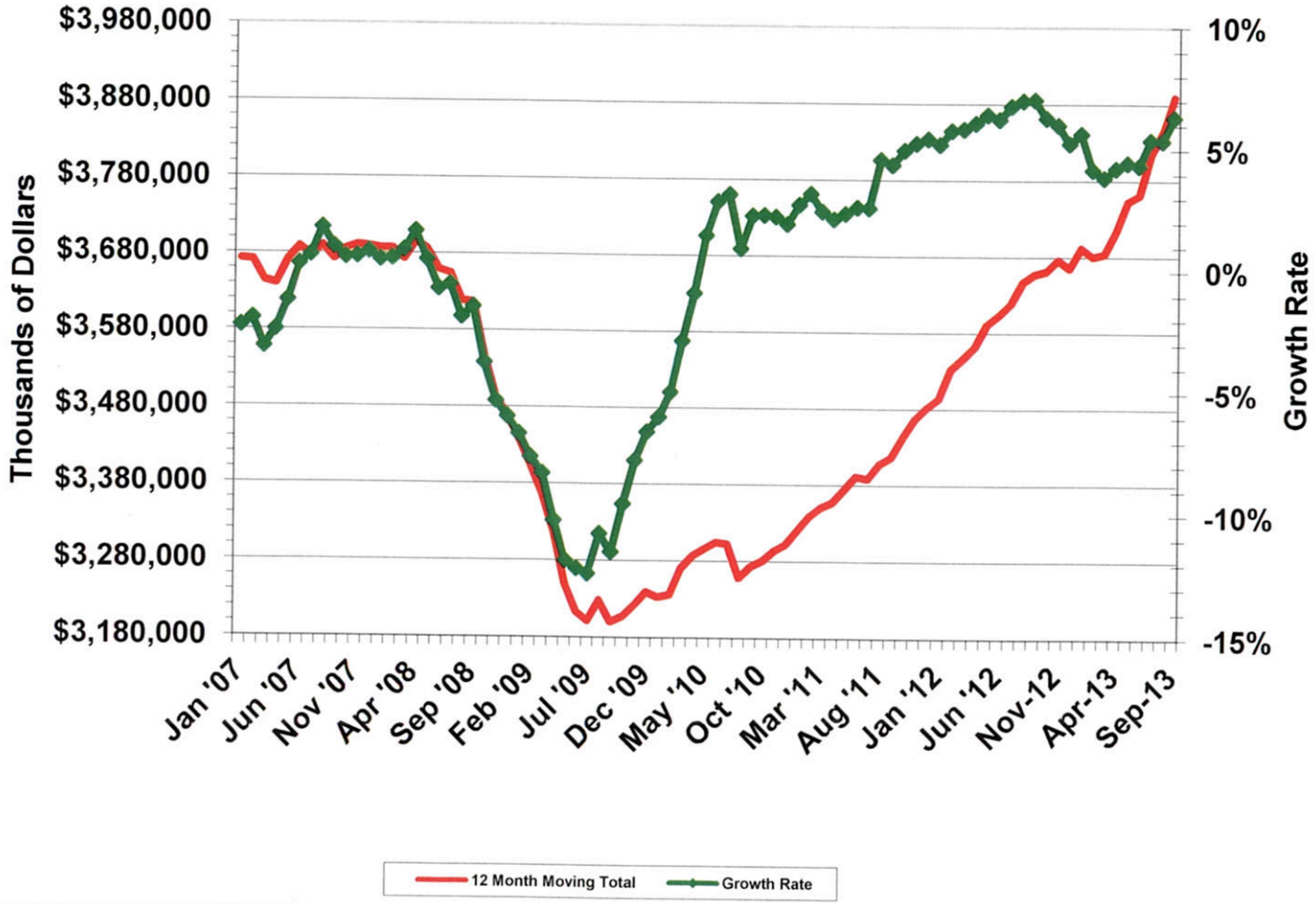


Maine Revenue Services Office of Tax Policy 11/12/2013



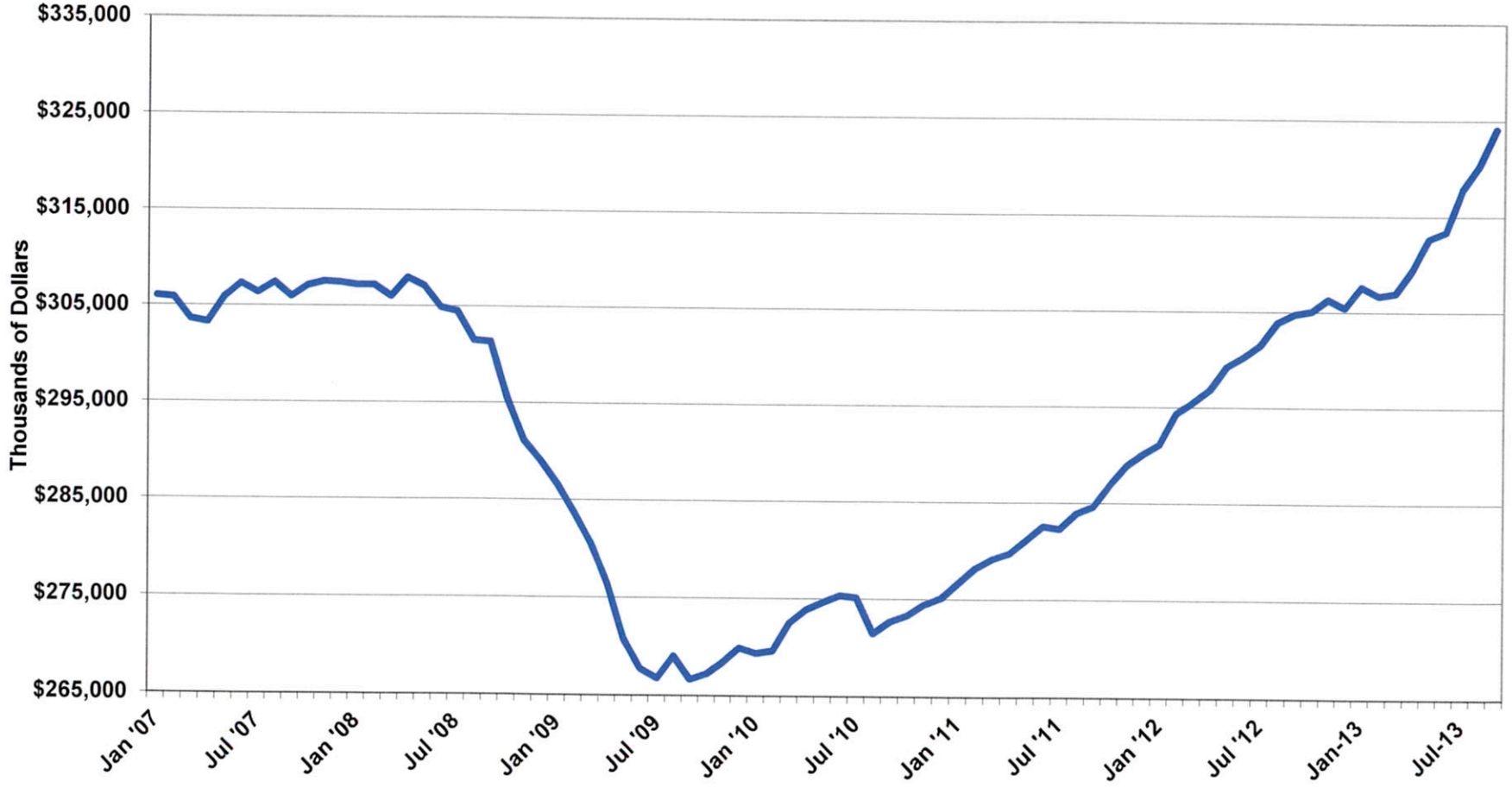
Maine Revenue Services Office of Tax Policy 11/12/2013

Auto/Transportation Taxable Sales
January 2007 to Date



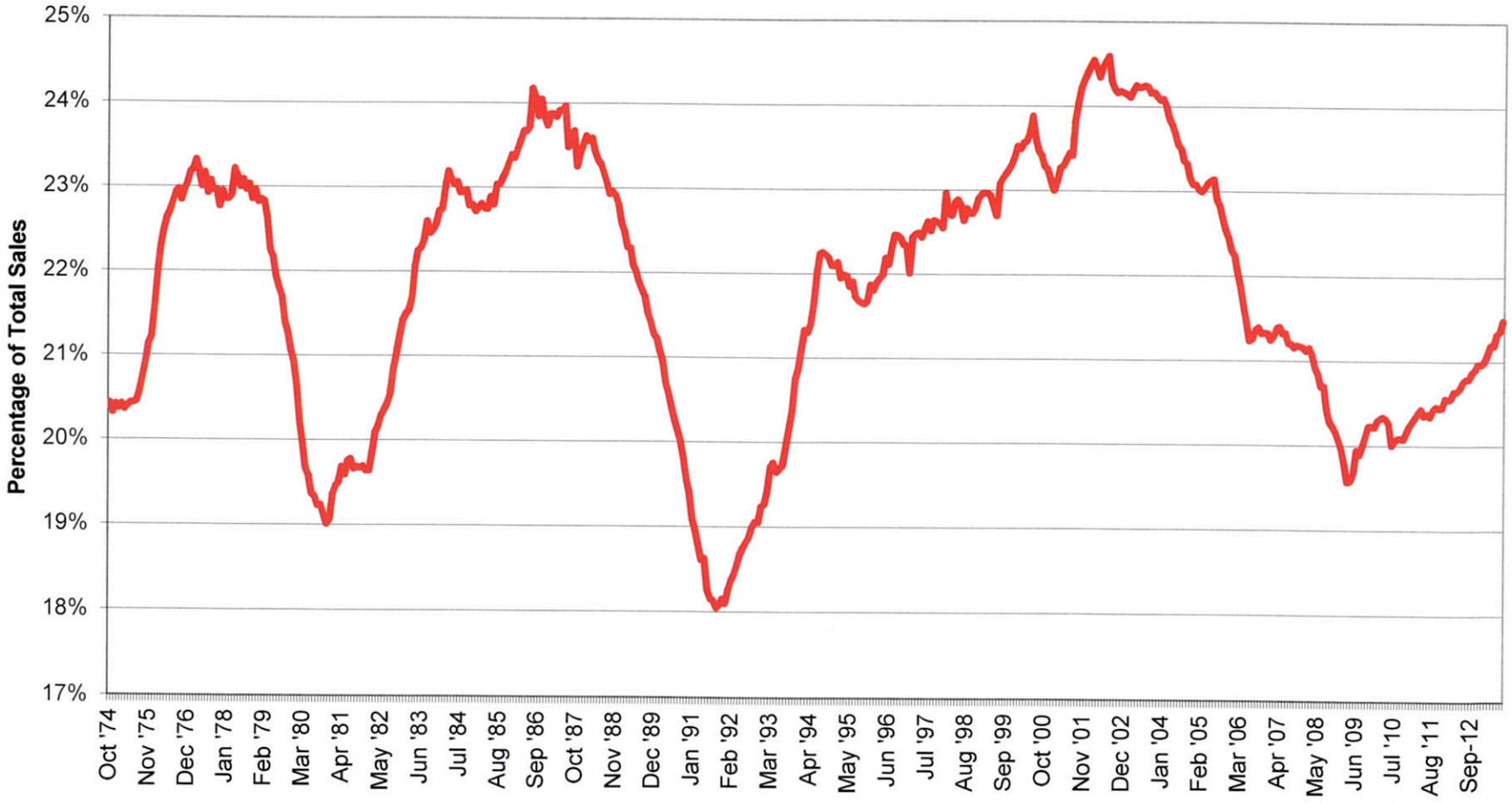
Maine Revenue Services Office of Tax Policy 11/12/2013

Auto/Transportation Taxable Sales
12 Month Moving Average
January 2007 to Date

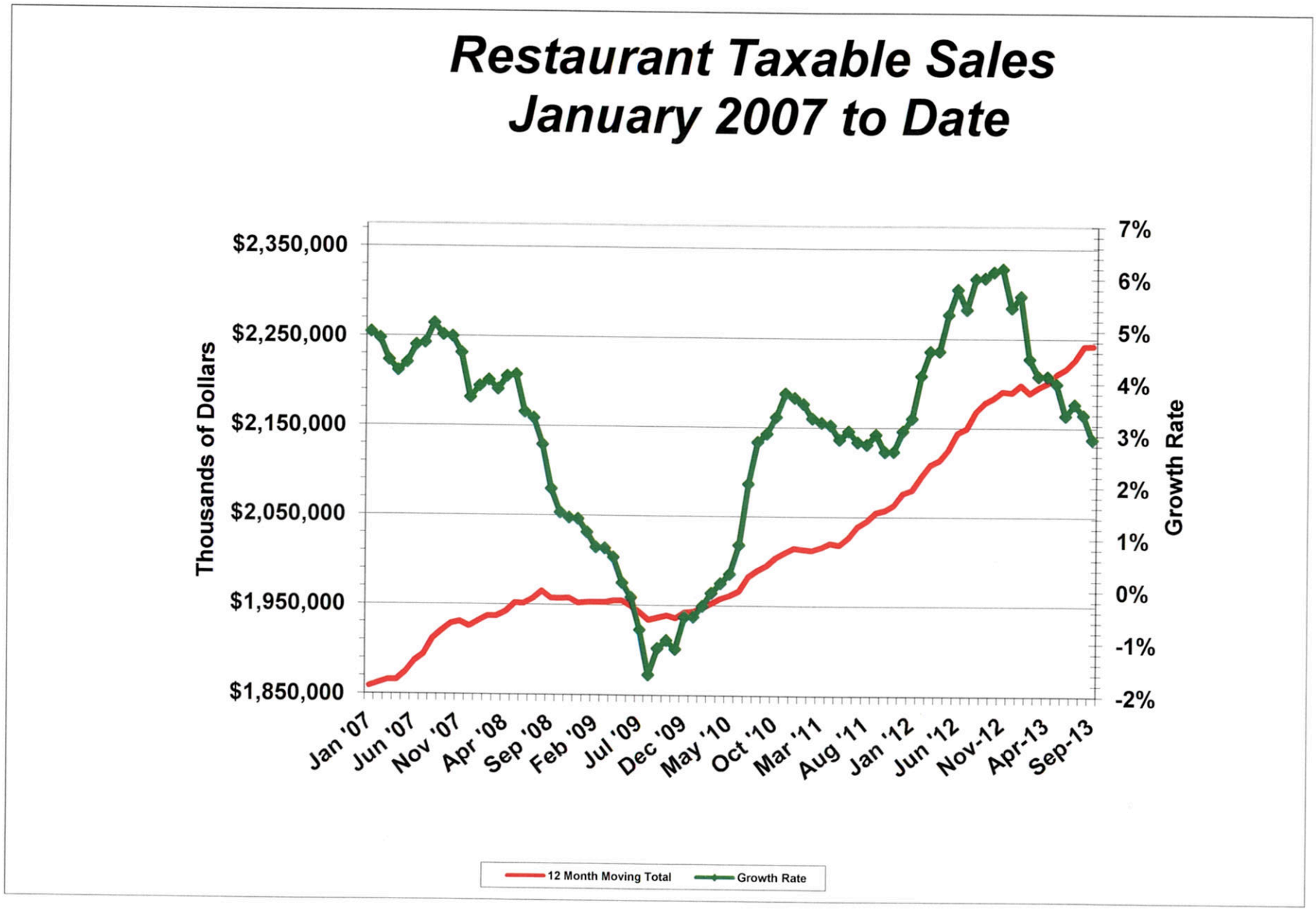


Maine Revenue Services Office of Tax Policy 11/12/2013

Auto/Transportation Sales as Percentage of Total Sales
12 Month Moving Total Dec. 1974 - Date

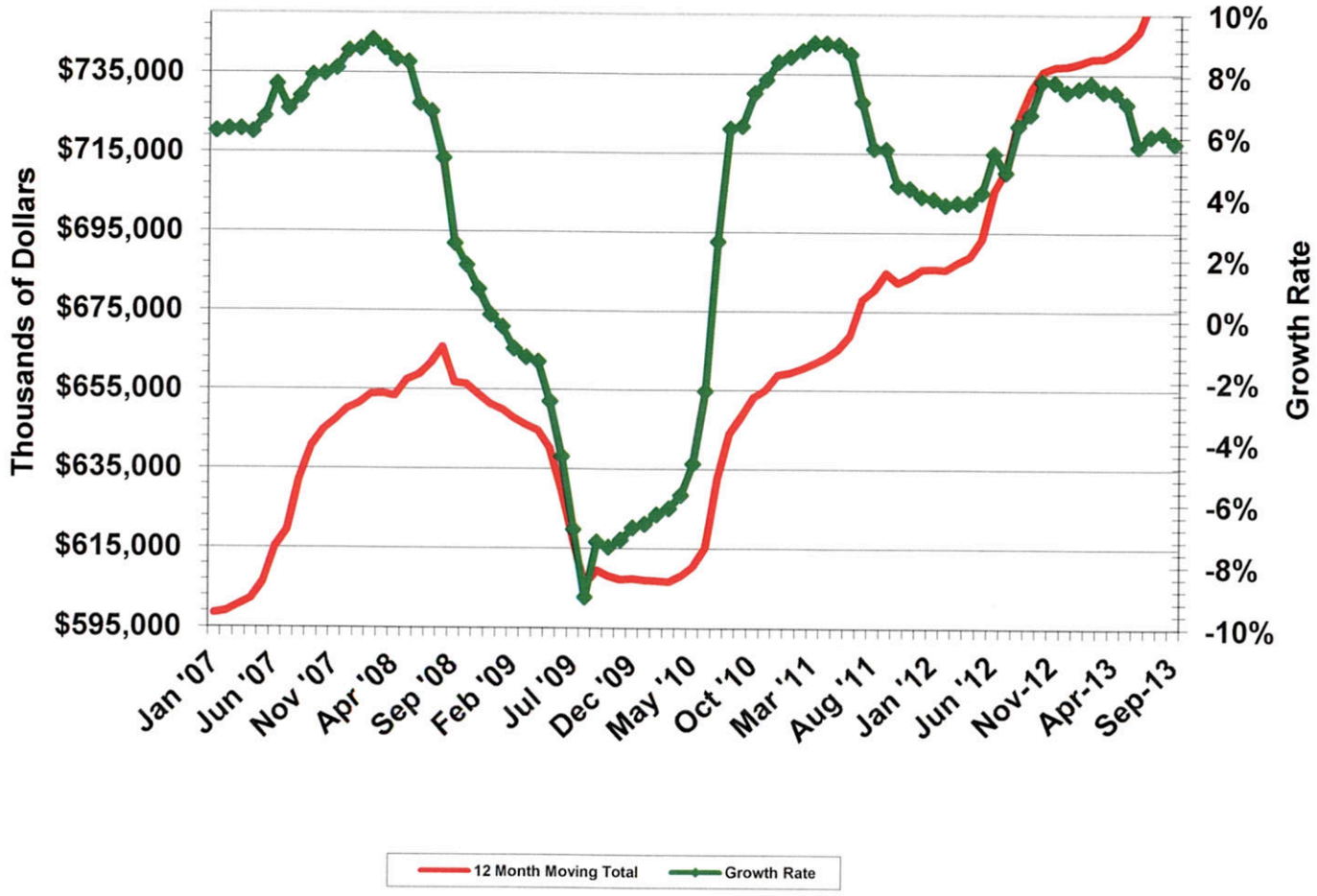


Maine Revenue Services Office of Tax Policy 11/12/2013

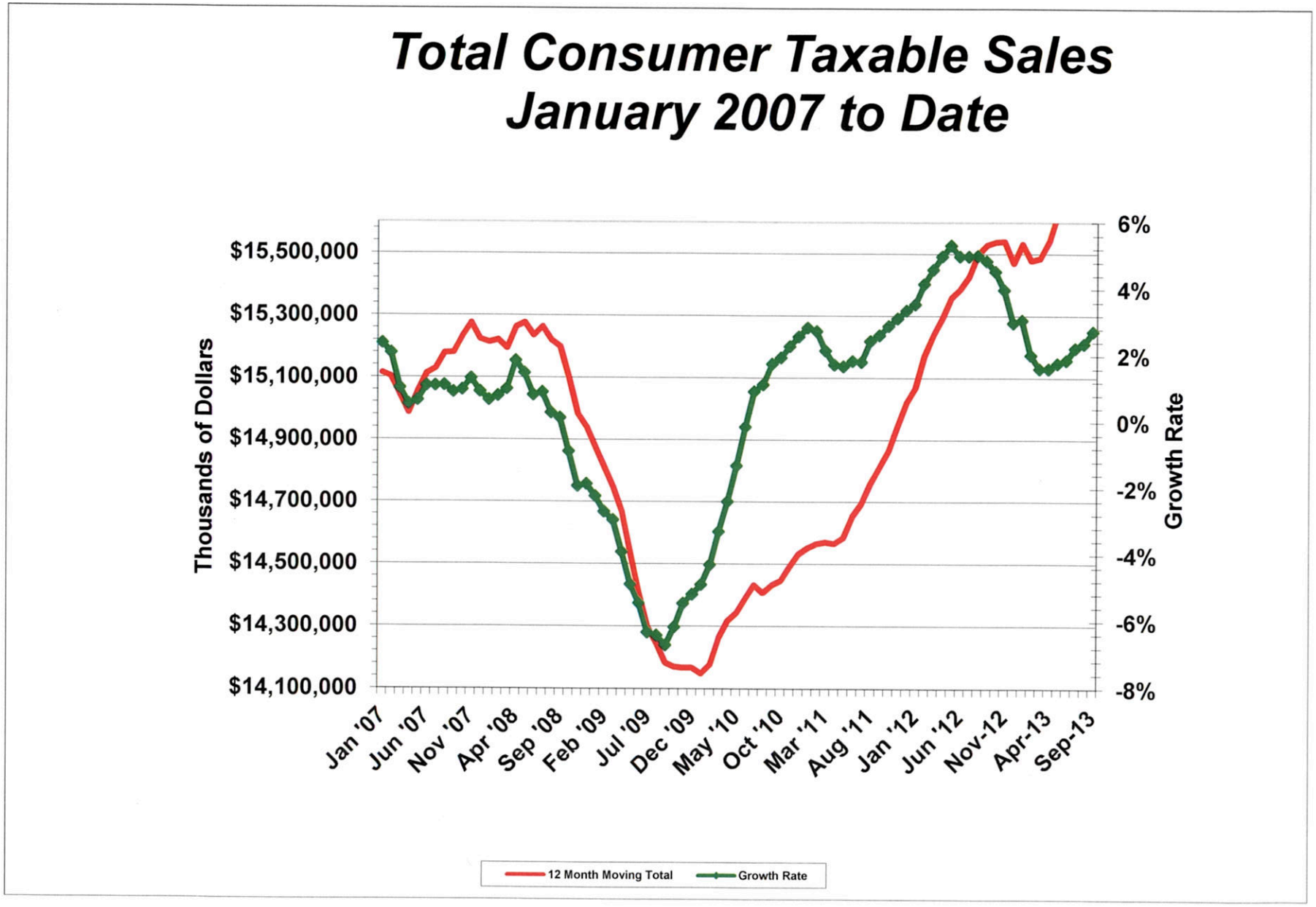


Maine Revenue Services Office of Tax Policy 11/12/2013

Lodging Taxable Sales
January 2007 to Date

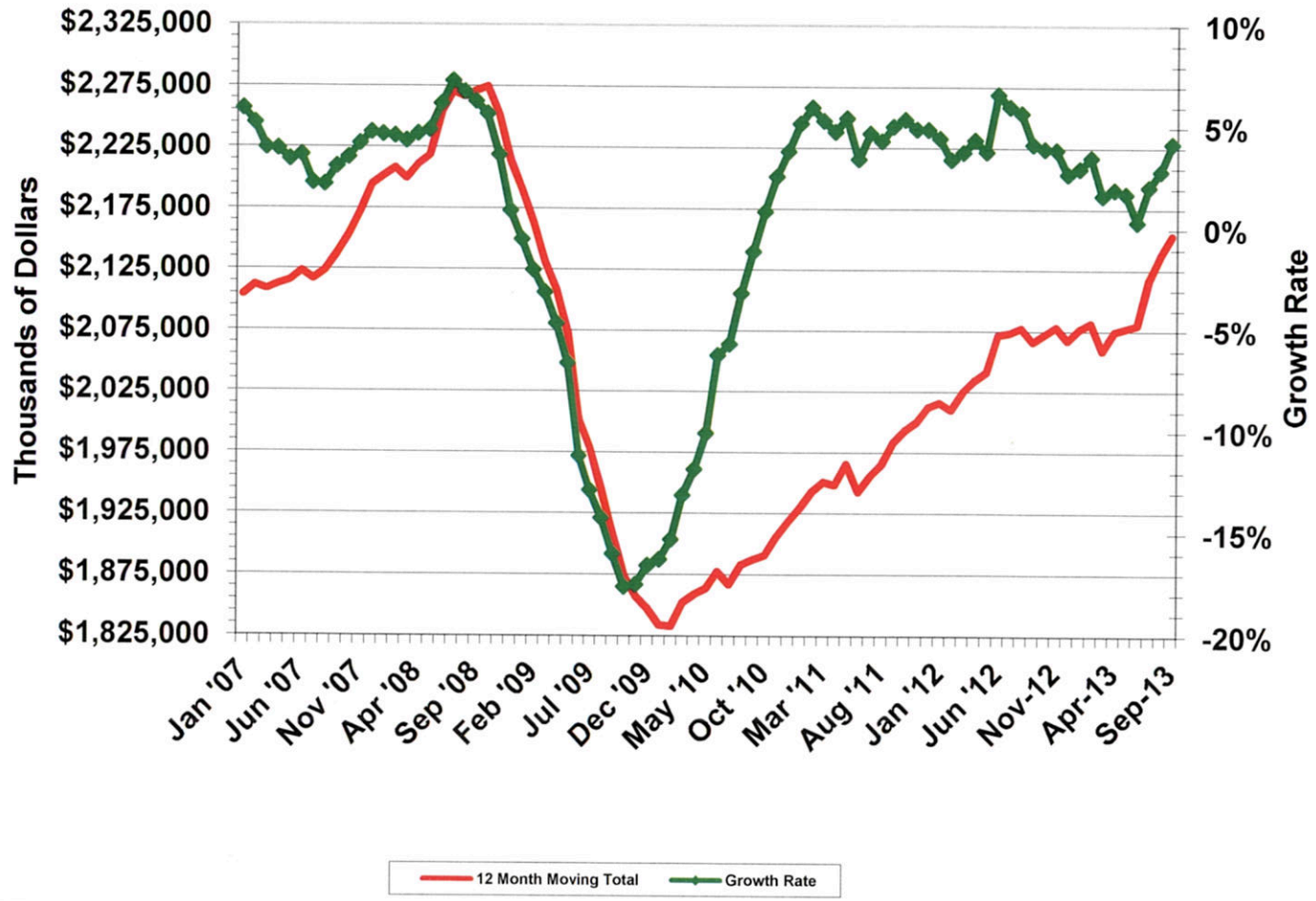


Maine Revenue Services Office of Tax Policy 11/12/2013

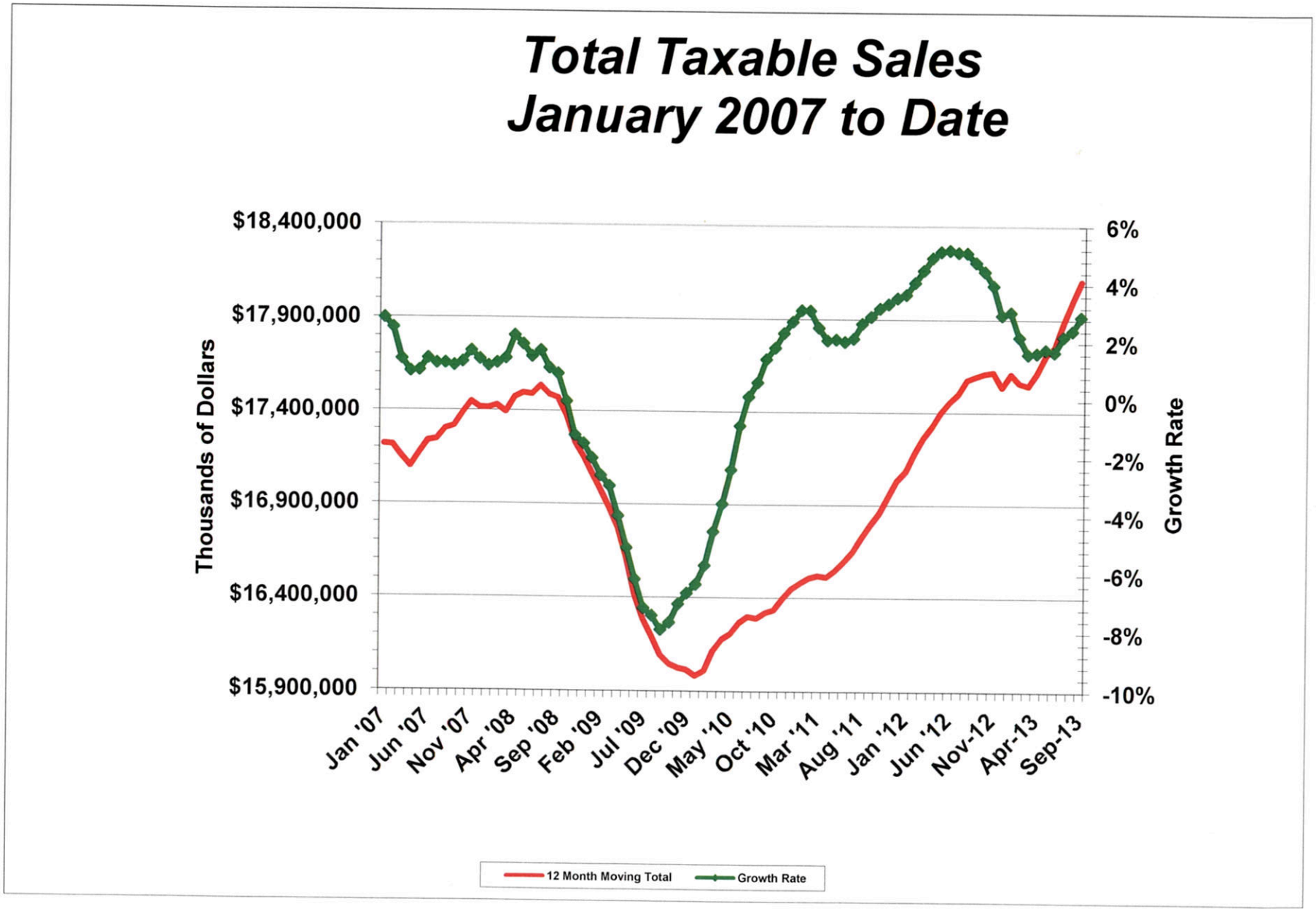


Maine Revenue Services Office of Tax Policy 11/12/2013

Business Operating Taxable Sales
January 2007 to Date

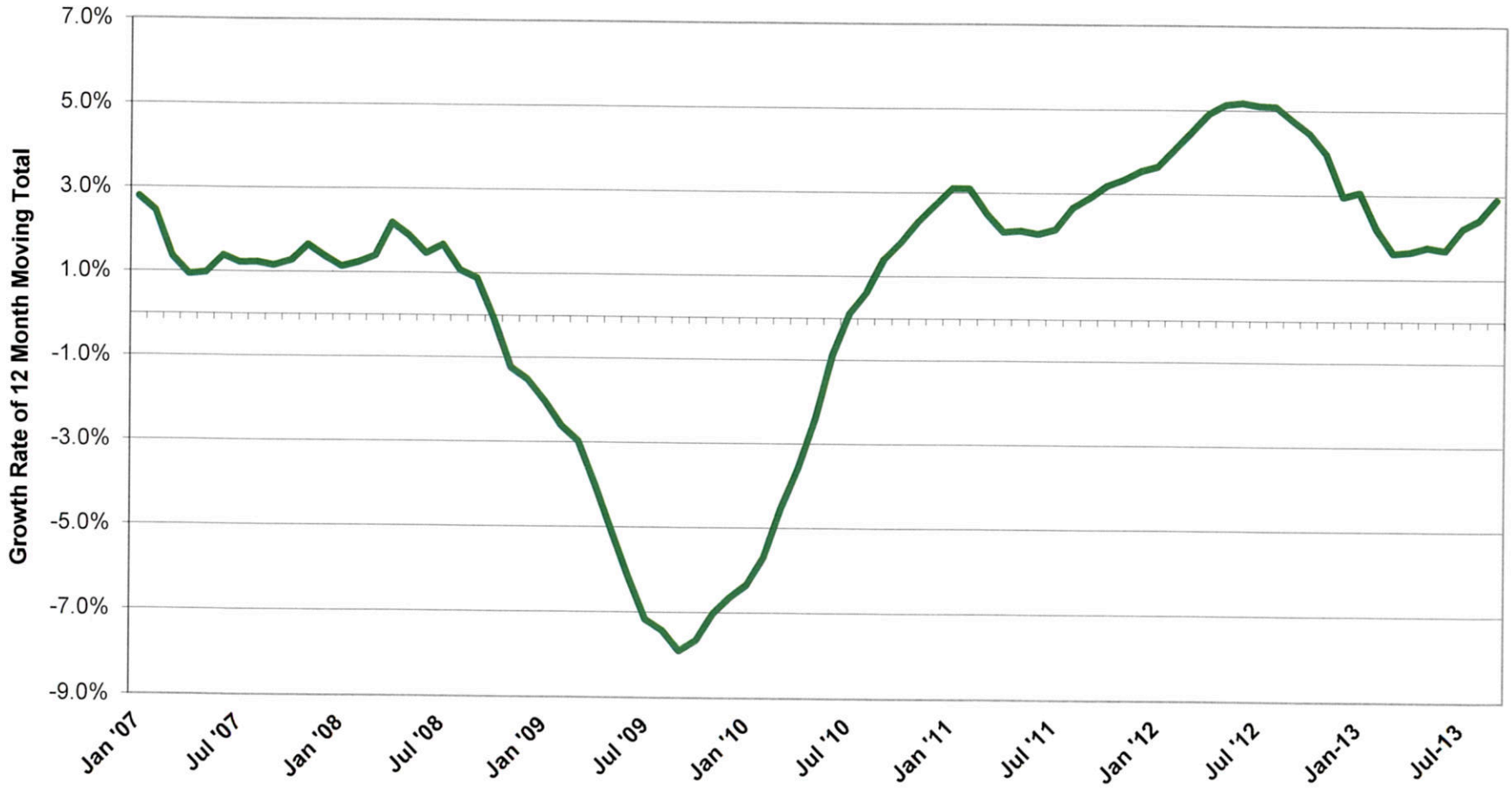


Maine Revenue Services Office of Tax Policy 11/12/2013



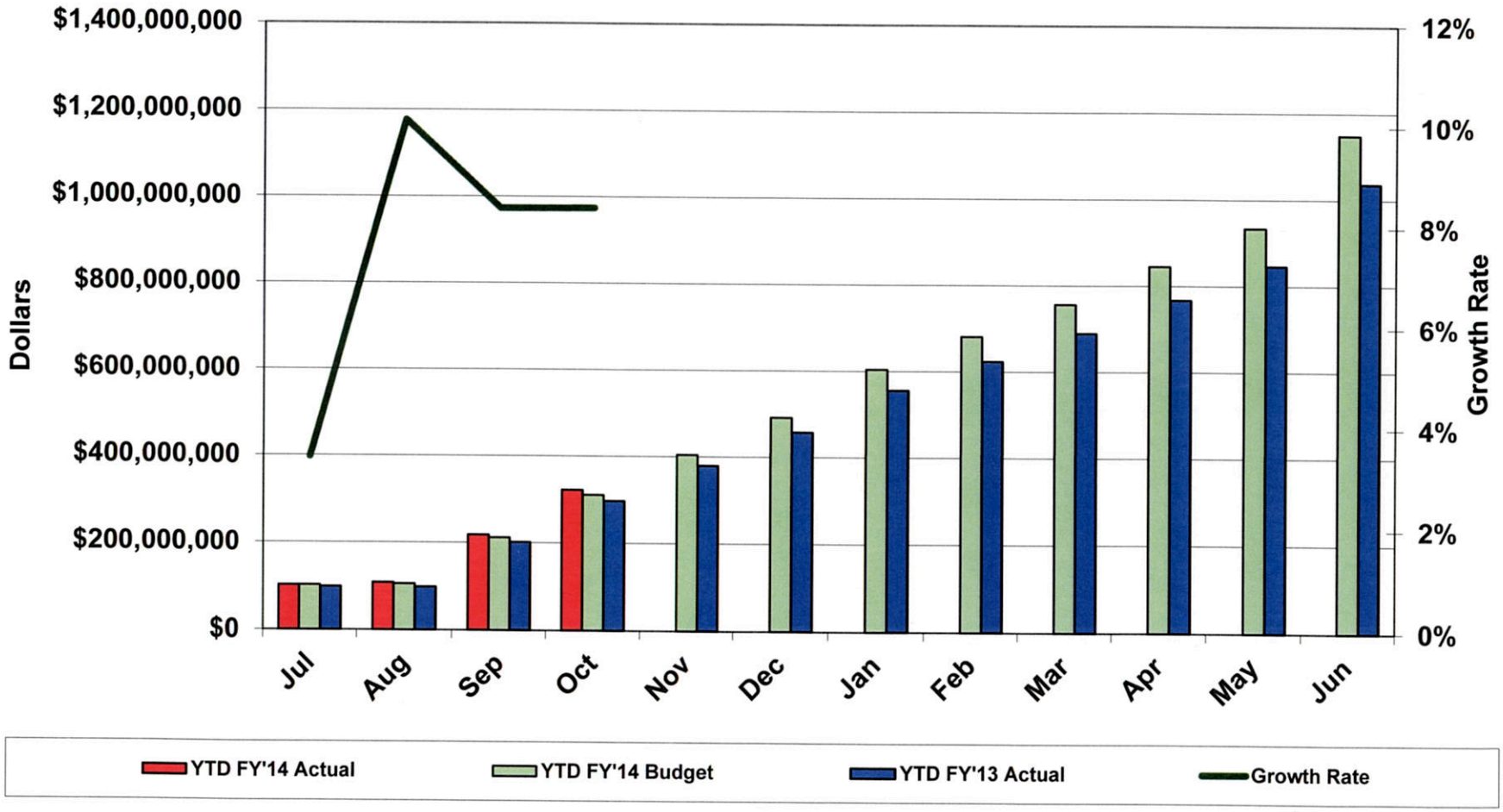
Maine Revenue Services Office of Tax Policy 11/12/2013

Total Maine Taxable Sales
Growth Rate of 12 Month Moving Total
January 2007 to Date



Maine Revenue Services Office of Tax Policy 11/12/2013

Sales & Service Provider Tax Revenue
FY'14 Actual, Budget & FY'13 Actual



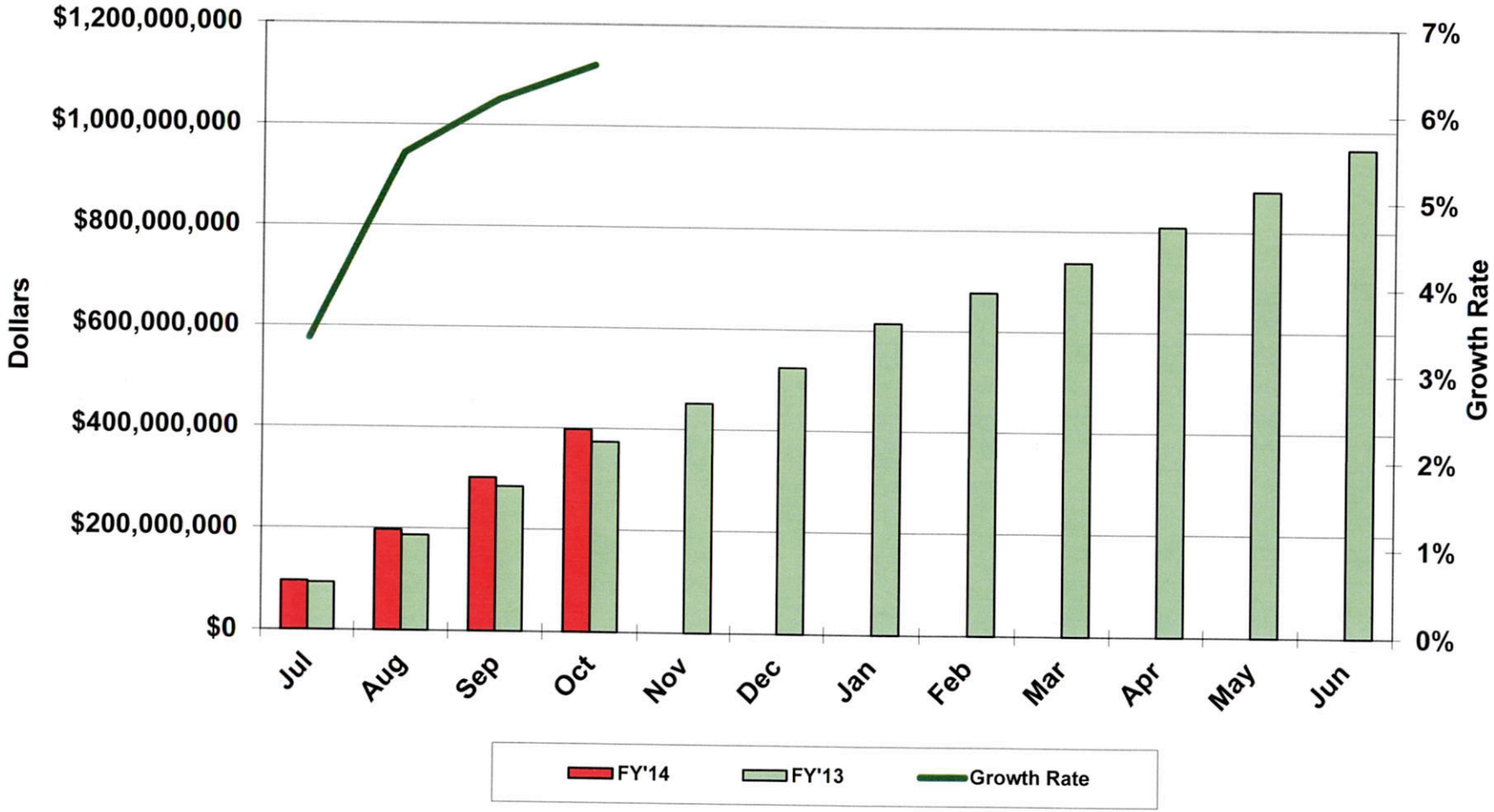
Maine Revenue Services Office of Tax Policy 11/7/2013

Maine Revenue Services
Sales & Use Tax and General Fund Service Provider Tax Revenue

Month	FY'14 Actual	FY'14 Budget	FY'13 Actual	FY'12 Actual	FY'14 Actual vs. Budget	FY'14 Budget vs. FY'13 Actual	FY'14 Actual vs. FY'13 Actual	FY'13 Actual vs. FY'12 Actual
Jul	$102,152,184	$102,179,950	$98,786,759	$97,325,059	0.0%	3.4%	3.4%	1.5%
Aug	$6,055,198	$3,054,823	($494,560)	$4,891,424	98.2%	-717.7%	-1324.4%	-110.1%
Sep	$109,963,307	$106,575,726	$103,087,515	$100,399,228	3.2%	3.4%	6.7%	2.7%
Oct	$103,663,030	$98,677,819	$95,651,959	$94,988,592	5.1%	3.2%	8.4%	0.7%
Nov	$0	$93,570,978	$82,419,624	$81,256,067	-100.0%	13.5%	-100.0%	1.4%
Dec	$0	$87,269,609	$78,200,614	$77,230,514	-100.0%	11.6%	-100.0%	1.3%
Jan	$0	$112,641,376	$98,419,267	$104,268,952	-100.0%	14.5%	-100.0%	-5.6%
Feb	$0	$77,055,398	$67,667,511	$64,789,278	-100.0%	13.9%	-100.0%	4.4%
Mar	$0	$75,089,291	$65,755,403	$66,956,001	-100.0%	14.2%	-100.0%	-1.8%
Apr	$0	$88,890,878	$77,860,481	$77,669,596	-100.0%	14.2%	-100.0%	0.2%
May	$0	$88,962,542	$79,006,147	$75,510,763	-100.0%	12.6%	-100.0%	4.6%
Jun	$0	$215,098,699	$190,526,795	$184,227,833	-100.0%	12.9%	-100.0%	3.4%
Total	$321,833,719	$1,149,067,089	$1,036,887,515	$1,029,513,307	-72.0%	10.8%	-69.0%	0.7%
YTD Oct	$321,833,719	$310,488,318	$297,031,673	$297,604,303	3.7%	4.5%	8.3%	-0.2%

Maine Revenue Services Office of Tax Policy. 11/7/2013

Sales Tax Cash Receipts
Year-to-Date FY'13 & FY'12



Maine Revenue Services Office of Tax Policy 11/4/2013

Maine Revenue Services
Sales Tax Cash Receipts

	FY'14	FY'13	YTD FY'14	YTD FY'13	Growth Rate	YTD Growth Rate
Jul	$95,696,902	$92,581,992	$95,696,902	$92,581,992	3.4%	3.4%
Aug	$101,185,302	$94,020,366	$196,882,204	$186,602,358	7.6%	5.5%
Sep	$104,223,945	$97,112,293	$301,106,149	$283,714,651	7.3%	6.1%
Oct	$96,920,414	$89,902,426	$398,026,563	$373,617,077	7.8%	6.5%
Nov	$0	$77,803,687	$398,026,563	$451,420,764	-100.0%	-11.8%
Dec	$0	$72,830,105	$398,026,563	$524,250,869	-100.0%	-24.1%
Jan	$0	$89,827,294	$398,026,563	$614,078,163	-100.0%	-35.2%
Feb	$0	$62,459,633	$398,026,563	$676,537,796	-100.0%	-41.2%
Mar	$0	$60,389,829	$398,026,563	$736,927,625	-100.0%	-46.0%
Apr	$0	$72,063,984	$398,026,563	$808,991,609	-100.0%	-50.8%
May	$0	$71,426,190	$398,026,563	$880,417,799	-100.0%	-54.8%
Jun	$0	$83,580,292	$398,026,563	$963,998,091	-100.0%	-58.7%

Maine Revenue Services Office of Tax Policy. 11/4/2013

Sales & Use and Service Provider Taxes: Baseline Forecast FY14 - FY17

	FY10	FY11	Biennium	FY12	FY13	Biennium	FY14	FY15	Biennium	FY16	FY17	Biennium
Actuals & May, 2013 Forecast /1	**$954,025,264**	**$976,359,279**	**$2,009,794,257**	**$1,029,513,306**	**$1,036,887,515**	**$2,066,400,821**	**$1,149,067,089**	**$1,233,713,342**	**$2,382,780,431**	**$1,168,230,238**	**$1,218,416,135**	**$2,386,646,373**
Growth Rate	-2.1%	2.3%	-0.2%	5.4%	0.7%	2.8%	10.8%	7.4%	15.3%	-5.3%	4.3%	0.2%
Technical Adjustments to Prior Forecast /2	$0	$0	$0	$0	$0	$0	$3,470,000	$5,100,000	$8,570,000	$5,620,000	$8,280,000	$13,900,000
Economic Assumptions /3	$0	$0	$0	$0	$0	$0	$5,458,121	$1,082,767	$6,540,888	$1,609,518	($1,314,836)	$294,682
Total Adjustments to Prior Forecast	$0	$0	$0	$0	$0	$0	$8,928,121	$6,182,767	$15,110,888	$7,229,518	$6,965,164	$14,194,682
New Forecast	**$954,025,264**	**$976,359,279**	**$2,009,794,257**	**$1,029,513,306**	**$1,036,887,515**	**$2,066,400,821**	**$1,157,995,210**	**$1,239,896,109**	**$2,397,891,319**	**$1,175,459,756**	**$1,225,381,299**	**$2,400,841,055**
Growth Rate	-2.1%	2.3%	-0.2%	5.4%	0.7%	2.8%	11.7%	7.1%	16.0%	-5.2%	4.2%	0.1%

1/ May, 2013 forecast with FY10, FY11, FY12 and FY13 actuals.

2/ Technical adjustments refer to all changes in the forecast that are not related to changes from new economic assumptions. Examples of technical changes may be new data, model updates and changes, and court cases that affect revenues.

3/ This line shows the incremental change in baseline revenues as a result of the new economic forecast released by the Consensus Economic Forecasting Committee. In addition, Global Insight's October 2013 forecast is used to estimate the impact of energy prices on sales tax receipts and to target automobile sales growth.

Department of Administrative and Financial Services
Maine Revenue Services
Office of Tax Policy

20-Nov-13

Maine Revenue Services
Transfers to the Tourism Marketing Promotion Fund
November 2013 Forecast

5% of the sales tax on meals and lodging is dedicated to the Tourism Marketing Promotion Fund. Revenue is credited to the fund in July and October of each year based on revenue collected in the prior fiscal year after revenue sharing has been deducted.

	FY'13	FY'14	FY'15	FY'16
Meals and lodging revenue forecast	$218,565,996	$245,454,041	$265,405,000	$243,009,800
Growth rate		12.3%	8.1%	-8.4%
General Fund	$207,637,696	$233,181,339	$252,134,750	$230,859,310
General Fund percentage	95.0%	95.0%	95.0%	95.0%

November 2013 forecast	FY'14	FY'15	FY'16	FY'17
5% to Tourism Fund	$10,381,884	$11,659,067	$12,606,738	$11,542,966
	5.0%	5.0%	5.0%	5.0%
Current budget	$10,283,750	$11,088,846	$11,978,102	$10,978,732
Variance	$98,134	$570,221	$628,636	$564,234

Transfer to the Multimodal Transportation Fund.
100% of the revenue collected from the 10% sales tax on short-term automobile rentals that is credited to the General Fund in a fiscal year is transferred to the Multimodal Transportation Fund in the next fiscal year.

	FY'14	FY'15	FY'16	FY'17
Current Budget	$6,122,258	$6,187,481	$6,250,356	$6,313,859
Actual FY'14 & forecast	$6,069,901	$6,187,481	$6,250,356	$6,313,859
		1.9%	1.0%	1.0%
Variance	($52,357)	$0	$0	$0

Maine Revenue Service
November 2013 Sales and Service Provider Tax Revenue Forecast
Actual & current budget FY'12 through '17

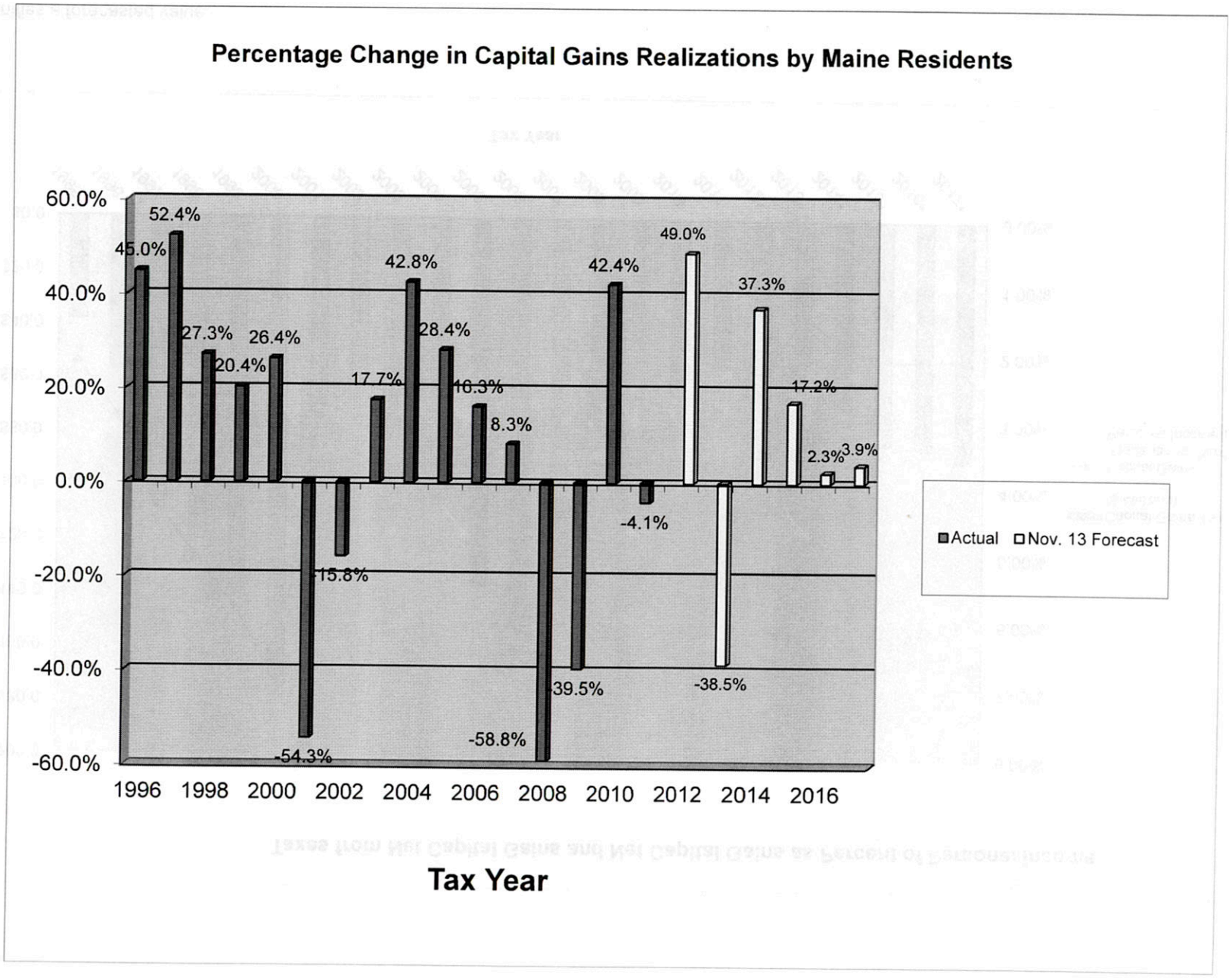
	FY'12	FY'13	FY'14	FY'15	FY'16	FY'17
Total sales and service provider - actual and budget	$1,029.513306	$1,036.887515	$1,149.067089	$1,233.713342	$1,168.230238	$1,218.416135
		0.7%	10.8%	7.4%	-5.3%	4.3%
Sales and use tax - actual and budget	$981.257805	$986.747637	$1,098.475270	$1,181.047258	$1,113.352179	$1,161.178319
Growth rate		0.6%	11.3%	7.5%	-5.7%	4.3%
Service provider tax - actual and budget	$48.255501	$50.139878	$50.591819	$52.666084	$54.878059	$57.237816
Growth rate		3.9%	0.9%	4.1%	4.2%	4.3%
Current revenue forecast FY'14 through '17		FY'13	FY'14	FY'15	FY'16	FY'17
Total sales and service provider forecast		$1,036.887515	$1,157.995210	$1,239.896109	$1,175.459756	$1,225.381299
		0.7%	11.7%	7.1%	-5.2%	4.2%
Sales and use tax forecast		$986.747637	$1,108.677783	$1,189.592333	$1,124.149905	$1,173.045251
Growth rate		0.6%	12.4%	7.3%	-5.5%	4.3%
Service provider tax forecast		$50.139878	$49.317427	$50.303776	$51.309851	$52.336048
Growth rate		3.9%	-1.6%	2.0%	2.0%	2.0%
Variance			FY'14	FY'15	FY'16	FY'17
Total sales and service provider forecast			$8.928121	$6.182767	$7.229518	$6.965164
Sales and use tax			$10.202513	$8.545075	$10.797726	$11.866932
Growth rate						
Service provider tax			($1.274392)	($2.362308)	($3.568208)	($4.901768)

Individual Income Tax

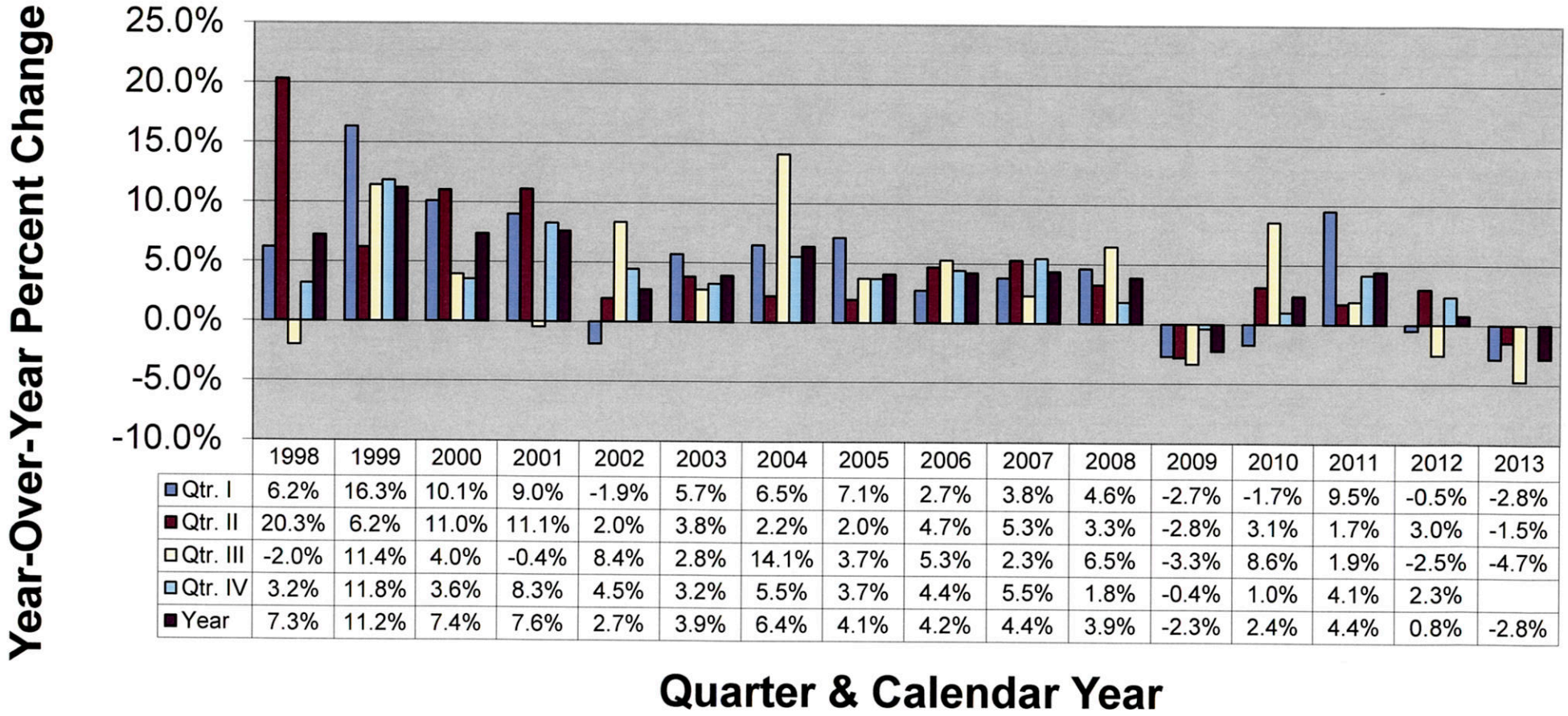
Maine Resident - Net Capital Gains

Tax Year	Capital Gains Realizations ($ Millions)	Capital Gains Realizations Annual % Change	Capital Gains Tax Liability ($ Millions)	Capital Gains Tax Liability Annual % Change	Capital Gains % of Resident Tax Liability	Resident Income Tax Liability
1995	$551.7		$38.3		6.2%	$620.1
1996	$799.7	45.0%	$57.3	49.6%	8.4%	$682.2
1997	$1,218.7	52.4%	$104.5	82.4%	13.6%	$771.1
1998	$1,551.0	27.3%	$120.0	14.8%	13.9%	$861.4
1999	$1,867.2	20.4%	$141.7	18.1%	15.5%	$916.7
2000	$2,360.4	26.4%	$179.6	26.7%	17.3%	$1,038.8
2001	$1,079.3	-54.3%	$74.1	-58.7%	7.6%	$970.9
2002	$908.8	-15.8%	$59.1	-20.3%	6.1%	$971.7
2003	$1,069.4	17.7%	$69.4	17.4%	6.8%	$1,020.8
2004	$1,526.9	42.8%	$104.9	51.2%	9.2%	$1,146.0
2005	$1,960.3	28.4%	$137.0	30.6%	11.3%	$1,208.7
2006	$2,280.1	16.3%	$162.5	18.6%	12.6%	$1,289.1
2007	$2,470.4	8.3%	$177.9	9.5%	13.0%	$1,369.6
2008	$1,017.0	-58.8%	$70.7	-60.3%	5.6%	$1,269.1
2009	$615.7	-39.5%	$45.6	-35.6%	3.8%	$1,189.2
2010	$876.7	42.4%	$58.6	28.6%	4.6%	$1,266.7
2011	$840.4	-4.1%	$55.4	-5.5%	4.3%	$1,290.4
2012*	$1,252.1	49.0%	$87.9	58.8%	6.3%	$1,385.0
2013*	$769.6	-38.5%	$48.8	-44.5%	3.8%	$1,272.6
2014*	$1,056.4	37.3%	$70.2	43.9%	5.3%	$1,325.5
2015*	$1,238.4	17.2%	$83.0	18.4%	5.9%	$1,400.3
2016*	$1,267.0	2.3%	$84.9	2.3%	5.9%	$1,442.3
2017*	$1,315.8	3.9%	$89.3	5.2%	5.9%	$1,506.4

* Represents Projections.

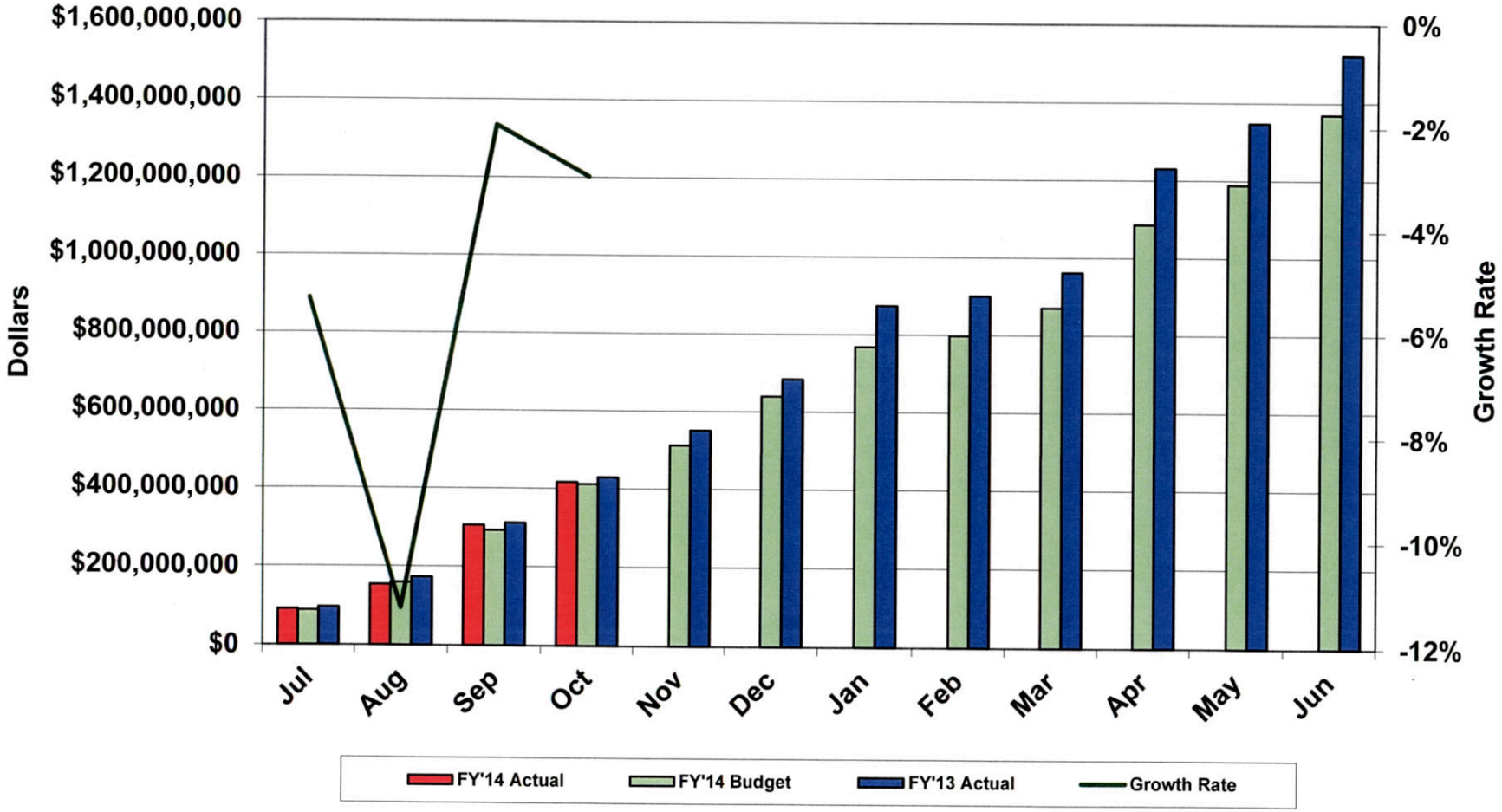

Percentage Change in Capital Gains Realizations by Maine Residents
60.0%
40.0%
20.0%
0.0%
-20.0%
-40.0%
-60.0%
45.0%
52.4%
27.3%
20.4%
26.4%
-54.3%
-15.8%
17.7%
42.8%
28.4%
16.3%
8.3%
-58.8%
-39.5%
42.4%
-4.1%
49.0%
-38.5%
37.3%
17.2%
2.3%
3.9%
1996
1998
2000
2002
2004
2006
2008
2010
2012
2014
2016
Tax Year
Actual
Nov. 13 Forecast

Individual Income Tax Withholding



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Qtr. I	6.2%	16.3%	10.1%	9.0%	-1.9%	5.7%	6.5%	7.1%	2.7%	3.8%	4.6%	-2.7%	-1.7%	9.5%	-0.5%	-2.8%
Qtr. II	20.3%	6.2%	11.0%	11.1%	2.0%	3.8%	2.2%	2.0%	4.7%	5.3%	3.3%	-2.8%	3.1%	1.7%	3.0%	-1.5%
Qtr. III	-2.0%	11.4%	4.0%	-0.4%	8.4%	2.8%	14.1%	3.7%	5.3%	2.3%	6.5%	-3.3%	8.6%	1.9%	-2.5%	-4.7%
Qtr. IV	3.2%	11.8%	3.6%	8.3%	4.5%	3.2%	5.5%	3.7%	4.4%	5.5%	1.8%	-0.4%	1.0%	4.1%	2.3%	
Year	7.3%	11.2%	7.4%	7.6%	2.7%	3.9%	6.4%	4.1%	4.2%	4.4%	3.9%	-2.3%	2.4%	4.4%	0.8%	-2.8%

YTD Individual Income Tax Revenue
FY'14 Actual, Budget & FY'13 Actual



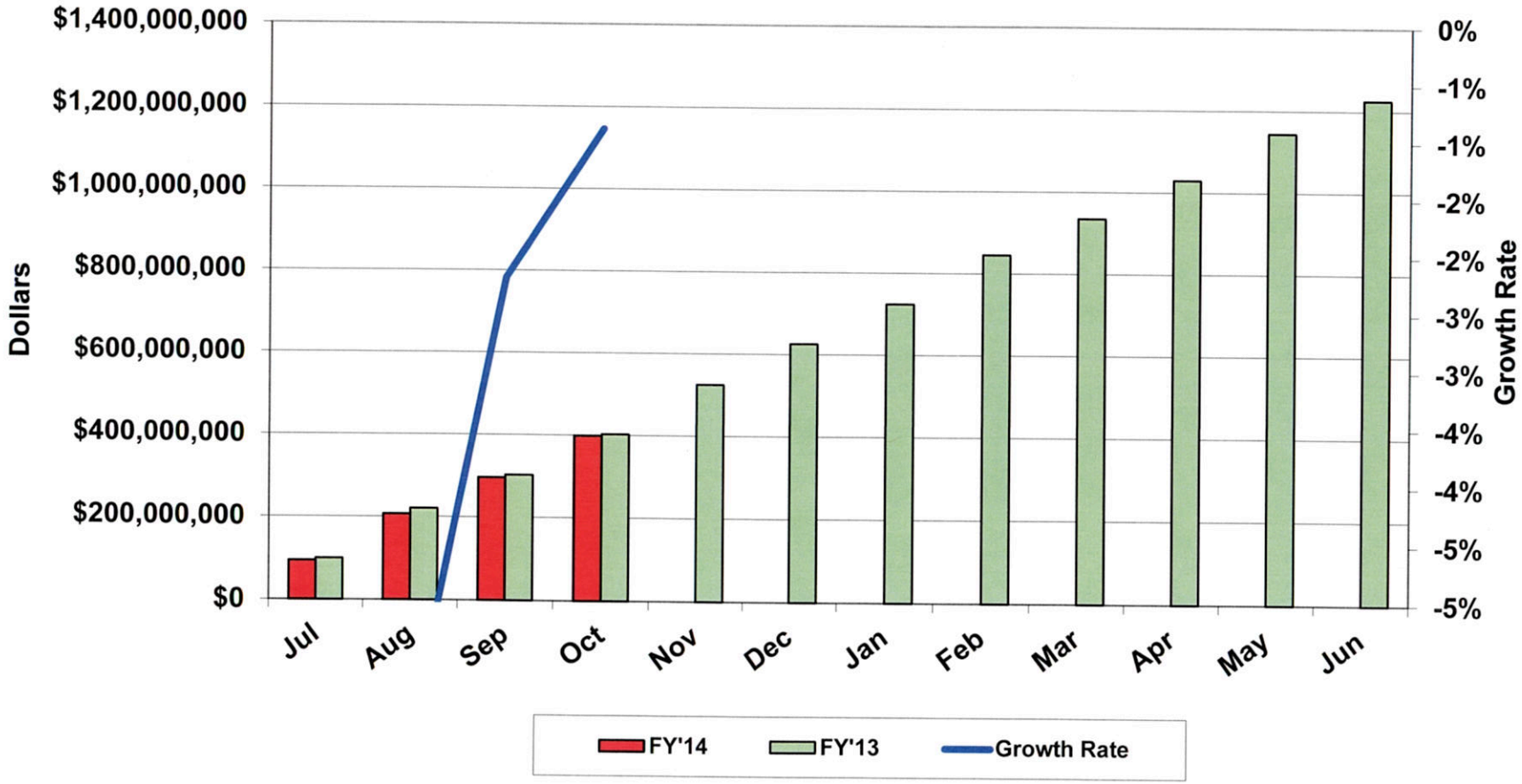
Maine Revenue Services Office of Tax Policy 11/7/2013

Maine Revenue Services
Individual Income Tax Revenue

	FY'14 Actual	FY'14 Budget	FY'13 Actual	FY'12 Actual	FY'14 Actual vs. Budget	FY'14 Budget vs. FY'13 Actual	FY'14 Actual vs. FY'13 Actual	FY'13 Actual vs. FY'12 Actual
Jul	$90,735,095	$87,404,357	$95,844,041	$88,705,638	3.8%	-8.8%	-5.3%	8.0%
Aug	$62,916,969	$72,071,330	$77,346,960	$76,878,302	-12.7%	-6.8%	-18.7%	0.6%
Sep	$152,020,206	$132,956,704	$138,687,996	$153,813,242	14.3%	-4.1%	9.6%	-9.8%
Oct	$110,881,170	$118,863,379	$117,471,517	$107,808,252	-6.7%	1.2%	-5.6%	9.0%
Nov	$0	$100,702,708	$121,283,232	$123,652,302	-100.0%	-17.0%	-100.0%	-1.9%
Dec	$0	$127,583,903	$133,562,448	$131,017,425	-100.0%	-4.5%	-100.0%	1.9%
Jan	$0	$128,506,486	$190,219,572	$132,649,431	-100.0%	-32.4%	-100.0%	43.4%
Feb	$0	$29,579,524	$26,326,059	$40,240,023	-100.0%	12.4%	-100.0%	-34.6%
Mar	$0	$73,152,081	$61,089,049	$72,104,697	-100.0%	19.7%	-100.0%	-15.3%
Apr	$0	$215,312,813	$269,366,548	$219,833,318	-100.0%	-20.1%	-100.0%	22.5%
May	$0	$102,564,418	$116,300,126	$108,480,522	-100.0%	-11.8%	-100.0%	7.2%
Jun	$0	$180,930,069	$174,365,208	$179,034,038	-100.0%	3.8%	-100.0%	-2.6%
Total	$416,553,440	$1,369,627,772	$1,521,862,756	$1,434,217,190	-69.6%	-10.0%	-72.6%	6.1%
YTD Oct	$416,553,440	$411,295,770	$429,350,514	$427,205,434	1.3%	-4.2%	-3.0%	0.5%

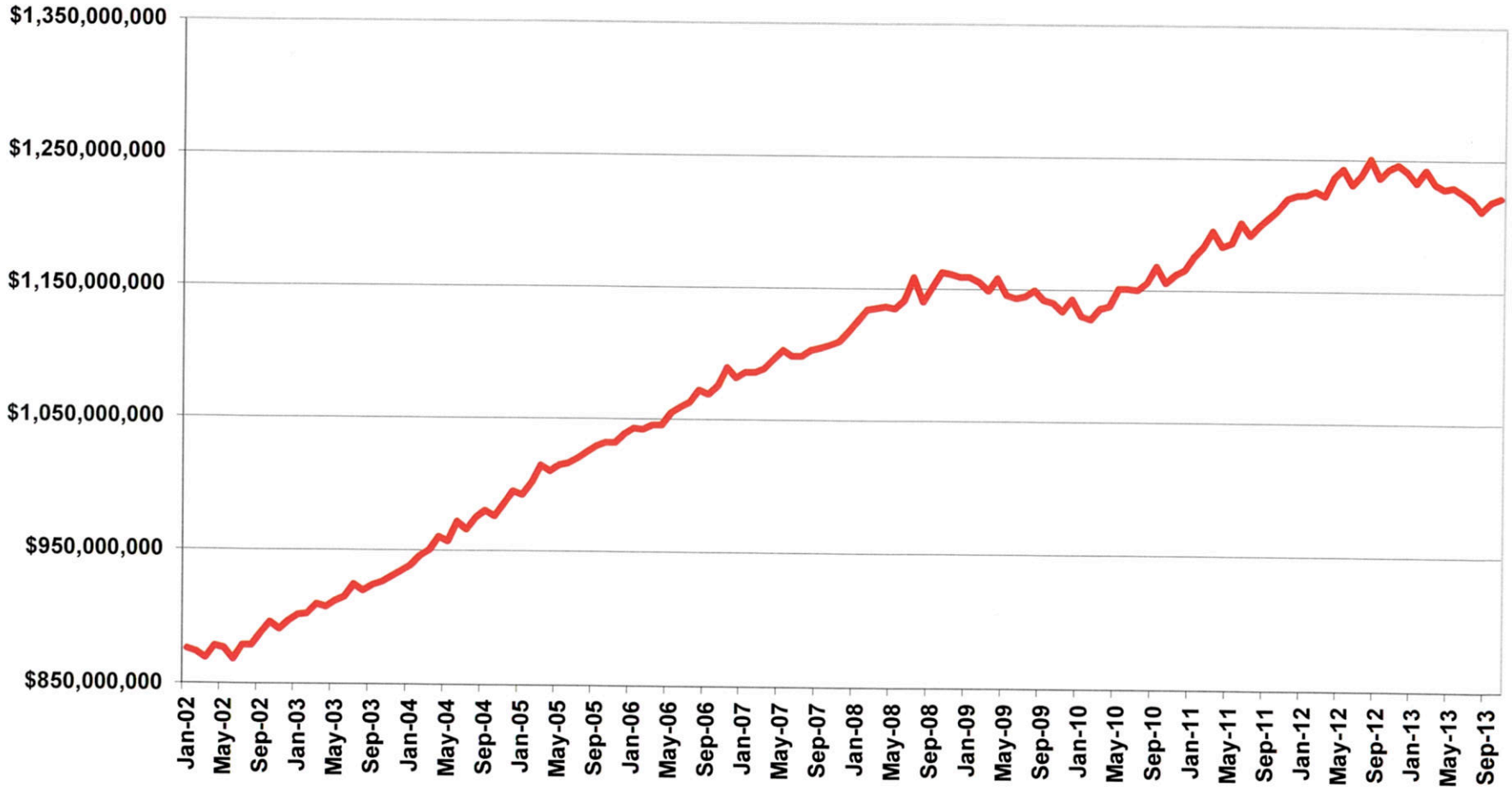
Maine Revenue Services Office of Tax Policy. 11/7/2013

1040 Withholding
Year-to-Date FY'14 & FY'13



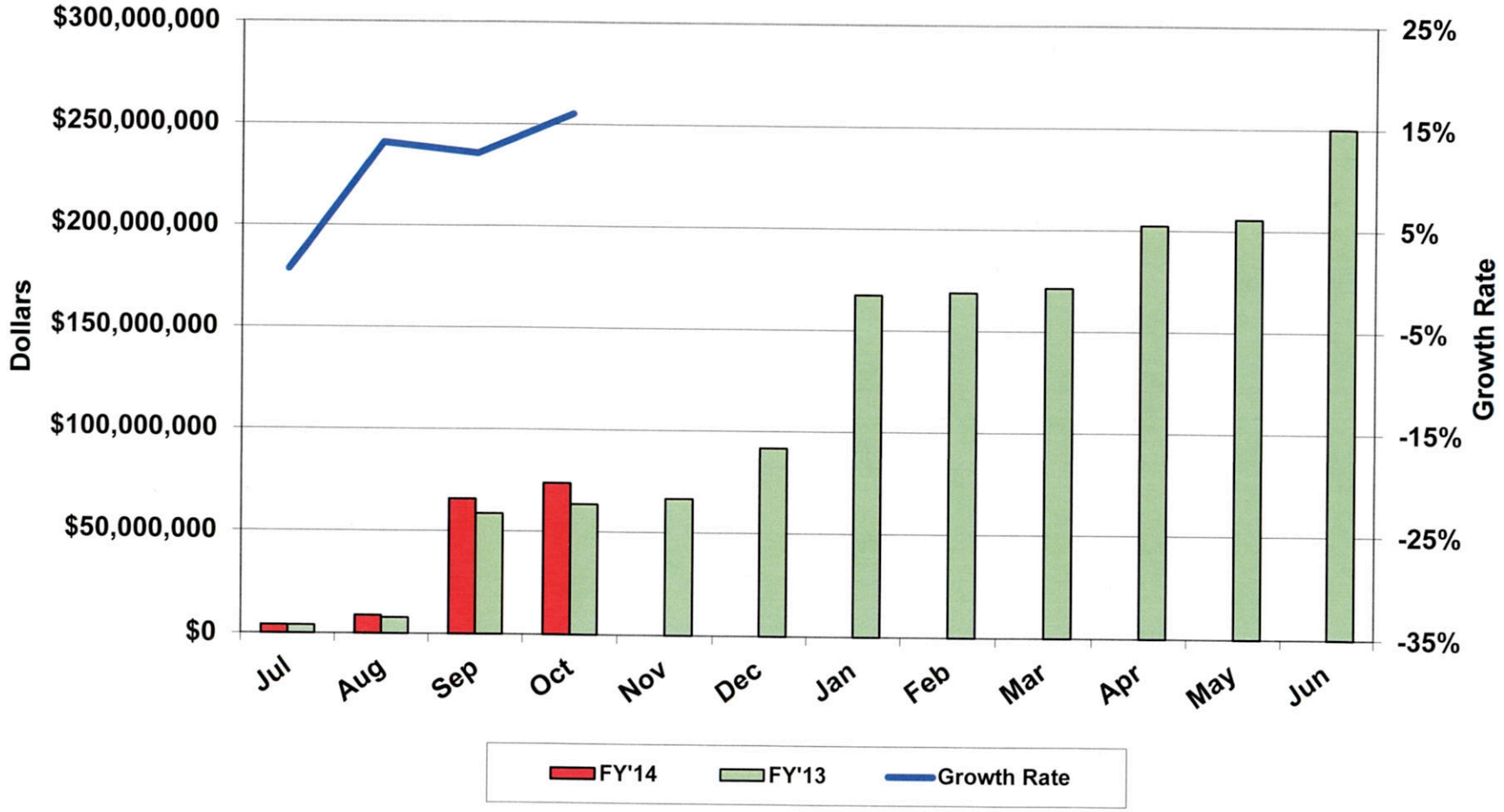
Maine Revenue Services Office of Tax Policy 11/4/2013

Withholding Tax Revenue
12 Month Moving Total



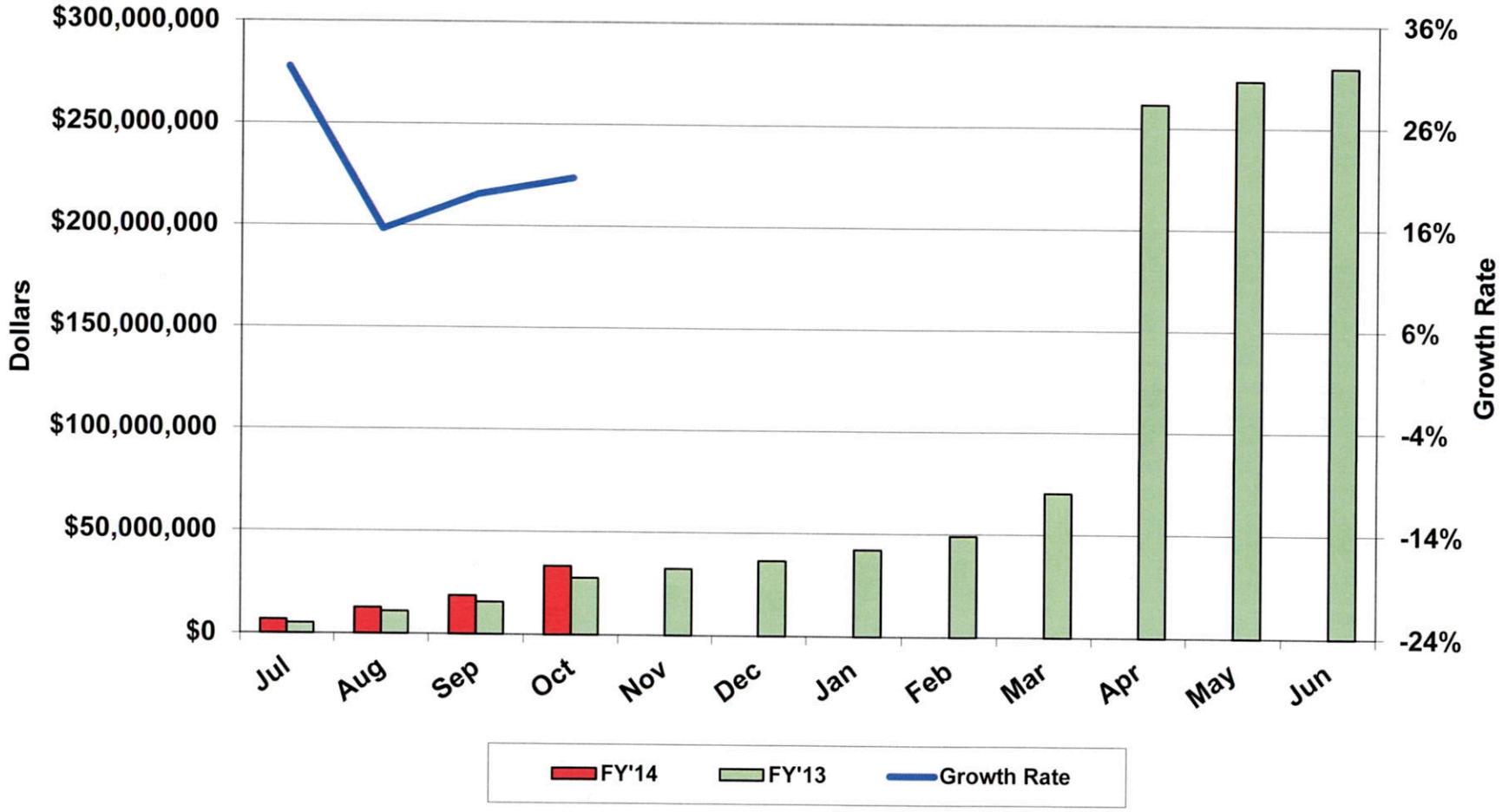
Maine Revenue Services Office of Tax Policy 11/4/2013

1040 Estimated Payments Year-to-Date FY'14 & FY'13



Maine Revenue Services Office of Tax Policy 11/4/2013

1040 Final Payments
Year-to-Date FY'14 & FY'13



Maine Revenue Services Office of Tax Policy 11/4/2013

Maine Revenue Services
Individual Income Tax Withholding, Estimated Payments and Final Payments

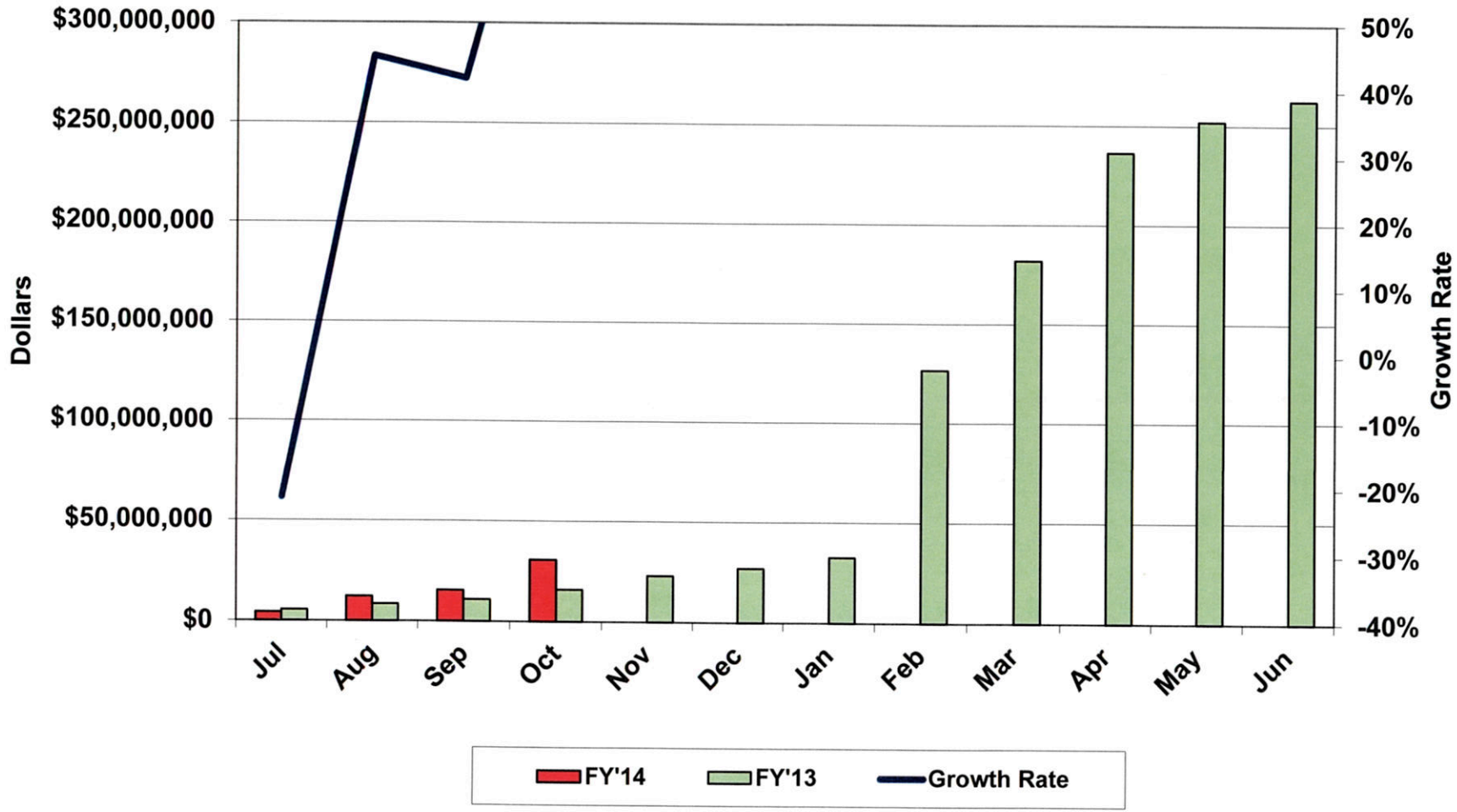
	1040 Withholding			1040 Estimated Payments			1040 Final Payments		
	FY'14	FY'13	Growth Rate	FY'14	FY'13	Growth Rate	FY'14	FY'13	Growth Rate
Jul	$93,927,999	$99,166,473	-5.3%	$4,036,674	$4,006,610	0.8%	$6,665,507	$5,065,442	31.6%
Aug	$112,440,174	$120,851,628	-7.0%	$4,735,026	$3,743,014	26.5%	$5,926,743	$5,817,685	1.9%
Sep	$89,160,626	$82,162,031	8.5%	$56,934,060	$50,832,427	12.0%	$6,050,576	$4,764,109	27.0%
Oct	$103,025,761	$100,012,088	3.0%	$7,980,855	$4,892,991	63.1%	$14,675,953	$11,940,559	22.9%
Nov	$0	$122,270,686	-100.0%	$0	$3,011,563	-100.0%	$0	$4,733,417	-100.0%
Dec	$0	$101,169,017	-100.0%	$0	$25,226,676	-100.0%	$0	$4,144,587	-100.0%
Jan	$0	$98,632,857	-100.0%	$0	$75,658,320	-100.0%	$0	$5,694,615	-100.0%
Feb	$0	$121,258,590	-100.0%	$0	$1,389,966	-100.0%	$0	$6,826,970	-100.0%
Mar	$0	$89,571,169	-100.0%	$0	$2,526,330	-100.0%	$0	$21,212,349	-100.0%
Apr	$0	$94,599,797	-100.0%	$0	$31,069,817	-100.0%	$0	$191,317,097	-100.0%
May	$0	$114,717,481	-100.0%	$0	$3,243,824	-100.0%	$0	$11,604,154	-100.0%
Jun	$0	$81,227,541	-100.0%	$0	$44,544,062	-100.0%	$0	$6,361,420	-100.0%

Year-To-Date

	1040 Withholding			1040 Estimated Payments			1040 Final Payments		
	FY'14	FY'13	Growth Rate	FY'14	FY'13	Growth Rate	FY'14	FY'13	Growth Rate
Jul	$93,927,999	$99,166,473	-5.3%	$4,036,674	$4,006,610	0.8%	$6,665,507	$5,065,442	31.6%
Aug	$206,368,173	$220,018,101	-6.2%	$8,771,700	$7,749,624	13.2%	$12,592,250	$10,883,127	15.7%
Sep	$295,528,799	$302,180,132	-2.2%	$65,705,760	$58,582,051	12.2%	$18,642,826	$15,647,236	19.1%
Oct	$398,554,560	$402,192,220	-0.9%	$73,686,615	$63,475,042	16.1%	$33,318,779	$27,587,795	20.8%
Nov	$398,554,560	$524,462,906	-24.0%	$73,686,615	$66,486,605	10.8%	$33,318,779	$32,321,212	3.1%
Dec	$398,554,560	$625,631,923	-36.3%	$73,686,615	$91,713,281	-19.7%	$33,318,779	$36,465,799	-8.6%
Jan	$398,554,560	$724,264,780	-45.0%	$73,686,615	$167,371,601	-56.0%	$33,318,779	$42,160,414	-21.0%
Feb	$398,554,560	$845,523,370	-52.9%	$73,686,615	$168,761,567	-56.3%	$33,318,779	$48,987,384	-32.0%
Mar	$398,554,560	$935,094,539	-57.4%	$73,686,615	$171,287,897	-57.0%	$33,318,779	$70,199,733	-52.5%
Apr	$398,554,560	$1,029,694,336	-61.3%	$73,686,615	$202,357,714	-63.6%	$33,318,779	$261,516,830	-87.3%
May	$398,554,560	$1,144,411,817	-65.2%	$73,686,615	$205,601,538	-64.2%	$33,318,779	$273,120,984	-87.8%
Jun	$398,554,560	$1,225,639,358	-67.5%	$73,686,615	$250,145,600	-70.5%	$33,318,779	$279,482,404	-88.1%

Maine Revenue Services Office of Tax Policy. 11/4/2013

Individual Income Tax Refunds
Year-to-Date FY'14 & FY'13



Maine Revenue Services Office of Tax Policy 11/7/2013

Maine Revenue Services
Individual Income Tax Refunds

	Month		Year-To-Date		
	FY'14	FY'13	FY'14	FY'13	Growth Rate
Jul	$4,242,566	$5,403,256	$4,242,566	$5,403,256	-21%
Aug	$7,986,803	$3,027,056	$12,229,369	$8,430,312	45%
Sep	$3,131,398	$2,408,857	$15,360,767	$10,839,169	42%
Oct	$15,358,454	$5,055,204	$30,719,221	$15,894,373	93%
Nov	$0	$7,056,664	$30,719,221	$22,951,037	34%
Dec	$0	$4,005,528	$30,719,221	$26,956,565	14%
Jan	$0	$5,629,143	$30,719,221	$32,585,708	-6%
Feb	$0	$94,028,446	$30,719,221	$126,614,154	-76%
Mar	$0	$55,270,731	$30,719,221	$181,884,885	-83%
Apr	$0	$54,481,447	$30,719,221	$236,366,332	-87%
May	$0	$15,626,265	$30,719,221	$251,992,597	-88%
Jun	$0	$10,423,493	$30,719,221	$262,416,090	-88%

Maine Revenue Services Office of Tax Policy. 11/7/2013

Individual Income Tax: Baseline Forecast FY14 - FY17

	FY10	FY11	Biennium	FY12	FY13	Biennium	FY14	FY15	Biennium	FY16	FY17	Biennium
Actuals & May, 2013 Forecast /1	**$1,298,036,055**	**$1,415,283,534**	**$2,713,319,589**	**$1,434,217,189**	**$1,521,862,756**	**$2,956,079,945**	**$1,369,627,772**	**$1,435,087,551**	**$2,804,715,323**	**$1,513,671,017**	**$1,577,792,856**	**$3,091,463,873**
Growth Rate	-4.9%	9.0%		1.3%	6.1%	8.9%	-10.0%	4.8%	-5.1%	5.5%	4.2%	10.2%
Technical Adjustments /2	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Economic Assumptions /3	$0	$0	$0	$0	$0	$0	$11,057,228	$12,141,449	$23,198,677	$5,765,983	($1,489,856)	$4,276,127
Total Adjustments to Prior Forecast	$0	$0	$0	$0	$0	$0	$11,057,228	$12,141,449	$23,198,677	$5,765,983	($1,489,856)	$4,276,127
New Forecast	**$1,298,036,055**	**$1,415,283,534**	**$2,713,319,589**	**$1,434,217,189**	**$1,521,862,756**	**$2,956,079,945**	**$1,380,685,000**	**$1,447,229,000**	**$2,827,914,000**	**$1,519,437,000**	**$1,576,303,000**	**$3,095,740,000**
Growth Rate	-4.9%	9.0%		1.3%	6.1%	8.9%	-9.3%	4.8%	-4.3%	5.0%	3.7%	9.5%

1/ May, 2013 forecast with FY10, FY11, FY12 and FY13 actuals.

2/ Technical adjustments refer to all changes in the forecast that are not related to changes from new economic assumptions. Examples of technical changes may be new data, model updates and changes, and court cases that affect revenues.

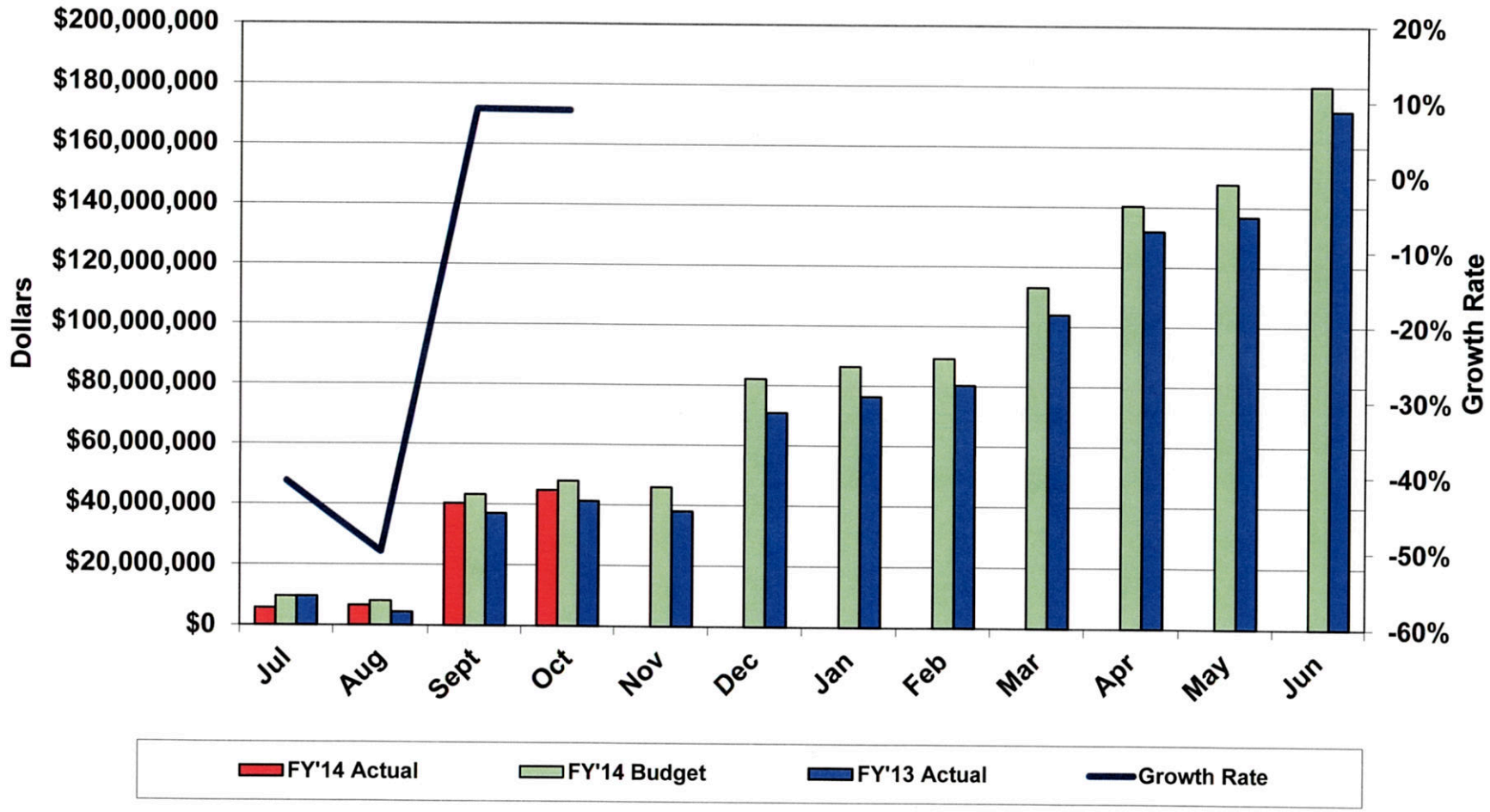
3/ This line shows the incremental change in baseline revenues as a result of a new economic forecast.

Department of Administrative and Financial Services
Maine Revenue Services
Office of Tax Policy

20-Nov-13

Corporate Income Tax

YTD Corporate Income Tax Revenue
FY'14 Actual, Budget & FY'13 Actual



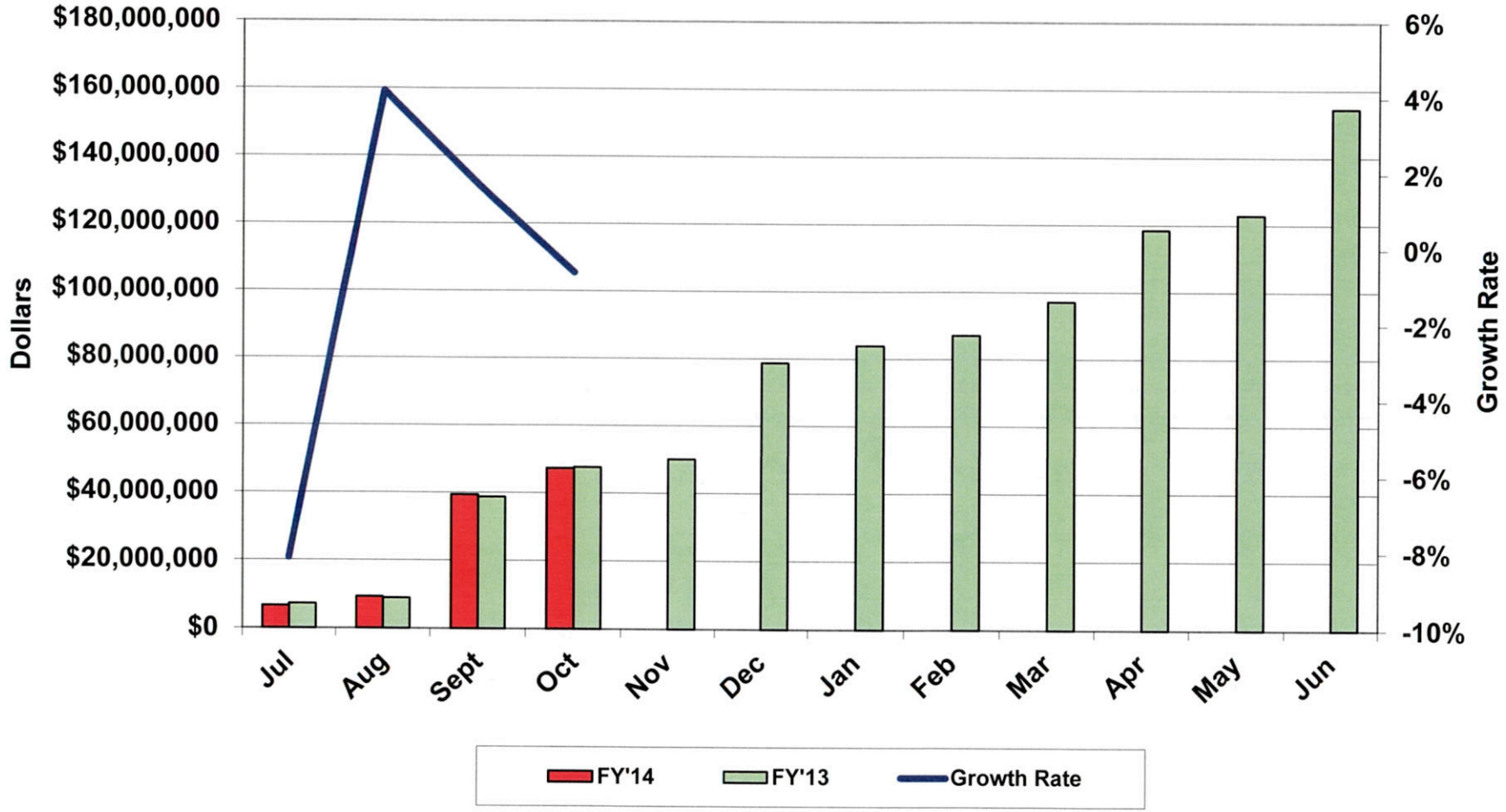
Maine Revenue Services Office of Tax Policy 11/7/2013

Maine Revenue Services
Corporate Income Tax Revenue

	FY'14 Actual	FY'14 Budget	FY'13 Actual	FY'12 Actual	FY'14 Actual vs. Budget	FY'14 Budget vs. FY'13 Actual	FY'14 Actual vs. FY'13 Actual	FY'13 Actual vs. FY'12 Actual
Jul	$5,647,577	$9,487,795	$9,560,554	$8,582,079	-40.5%	-0.8%	-40.9%	11.4%
Aug	$927,712	($1,474,598)	($5,183,938)	$3,722,868	162.9%	71.6%	117.9%	-239.2%
Sept	$33,677,384	$35,186,308	$32,666,791	$41,173,243	-4.3%	7.7%	3.1%	-20.7%
Oct	$4,469,660	$4,611,344	$4,176,218	$8,061,555	-3.1%	10.4%	7.0%	-48.2%
Nov	$0	($1,898,692)	($3,193,761)	$2,892,463	-100.0%	-40.5%	-100.0%	-210.4%
Dec	$0	$36,226,922	$32,828,494	$45,009,365	-100.0%	10.4%	-100.0%	-27.1%
Jan	$0	$4,215,000	$5,530,038	$5,088,827	-100.0%	-23.8%	-100.0%	8.7%
Feb	$0	$2,839,000	$3,912,326	$9,503,305	-100.0%	-27.4%	-100.0%	-58.8%
Mar	$0	$23,900,000	$23,682,924	$33,314,992	-100.0%	0.9%	-100.0%	-28.9%
Apr	$0	$27,300,000	$27,953,143	$27,019,848	-100.0%	-2.3%	-100.0%	3.5%
May	$0	$7,350,000	$4,885,212	$6,857,688	-100.0%	50.5%	-100.0%	-28.8%
Jun	$0	$32,400,000	$35,169,072	$40,891,761	-100.0%	-7.9%	-100.0%	-14.0%
Total	$44,722,333	$180,143,079	$171,987,073	$232,117,994	-75.2%	4.7%	-74.0%	-25.9%
YTD Oct	$44,722,333	$47,810,849	$41,219,625	$61,539,745	-6.5%	16.0%	8.5%	-33.0%

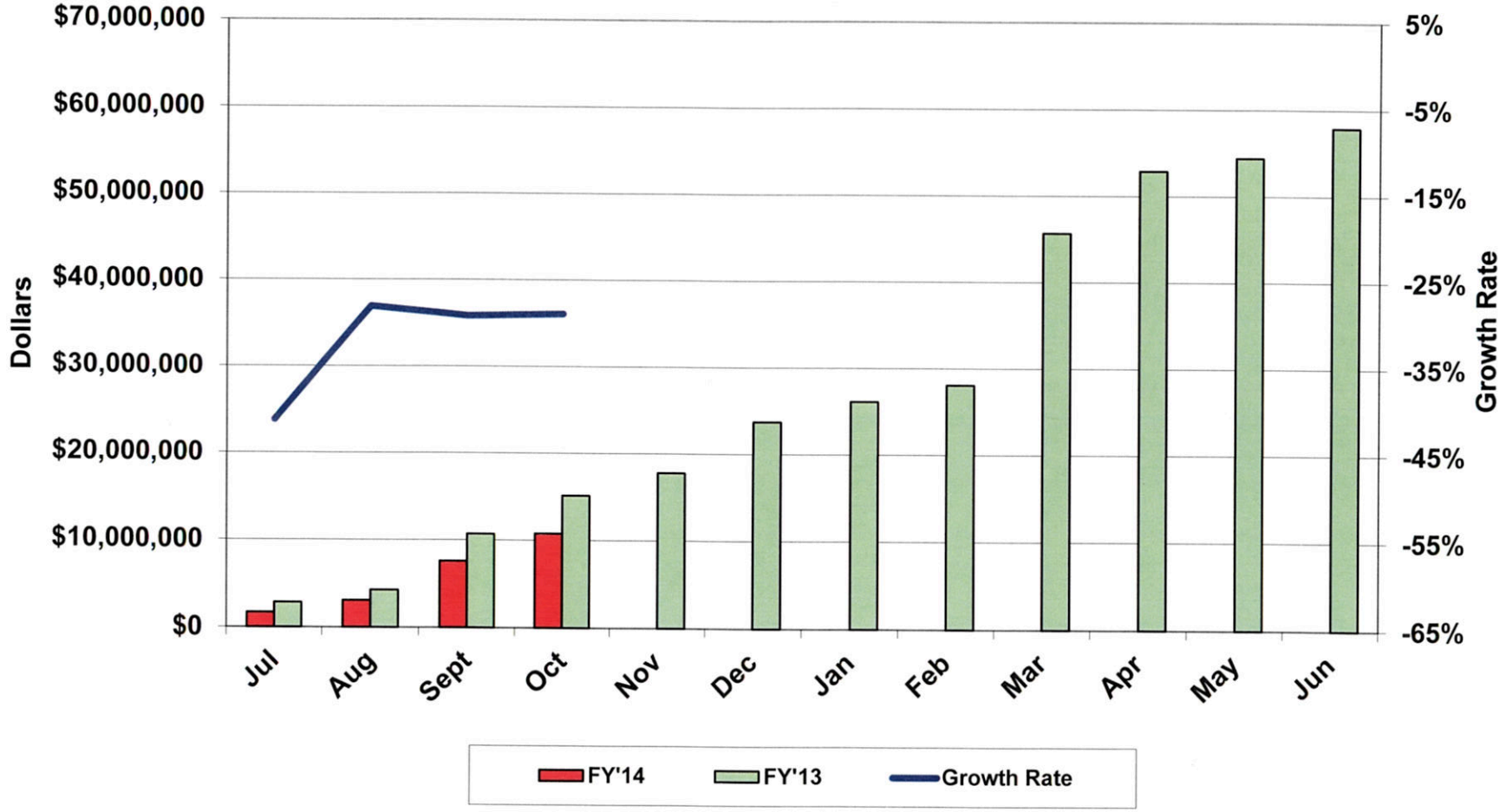
Maine Revenue Services Office of Tax Policy. 11/7/2013

Corporate Estimated Payments Year-to-Date FY'14 & FY'13



Maine Revenue Services Office of Tax Policy 11/4/2013

Corporate Final Payments
Year-to-Date FY'14 & FY'13



Maine Revenue Services Office of Tax Policy 11/4/2013

Maine Revenue Services

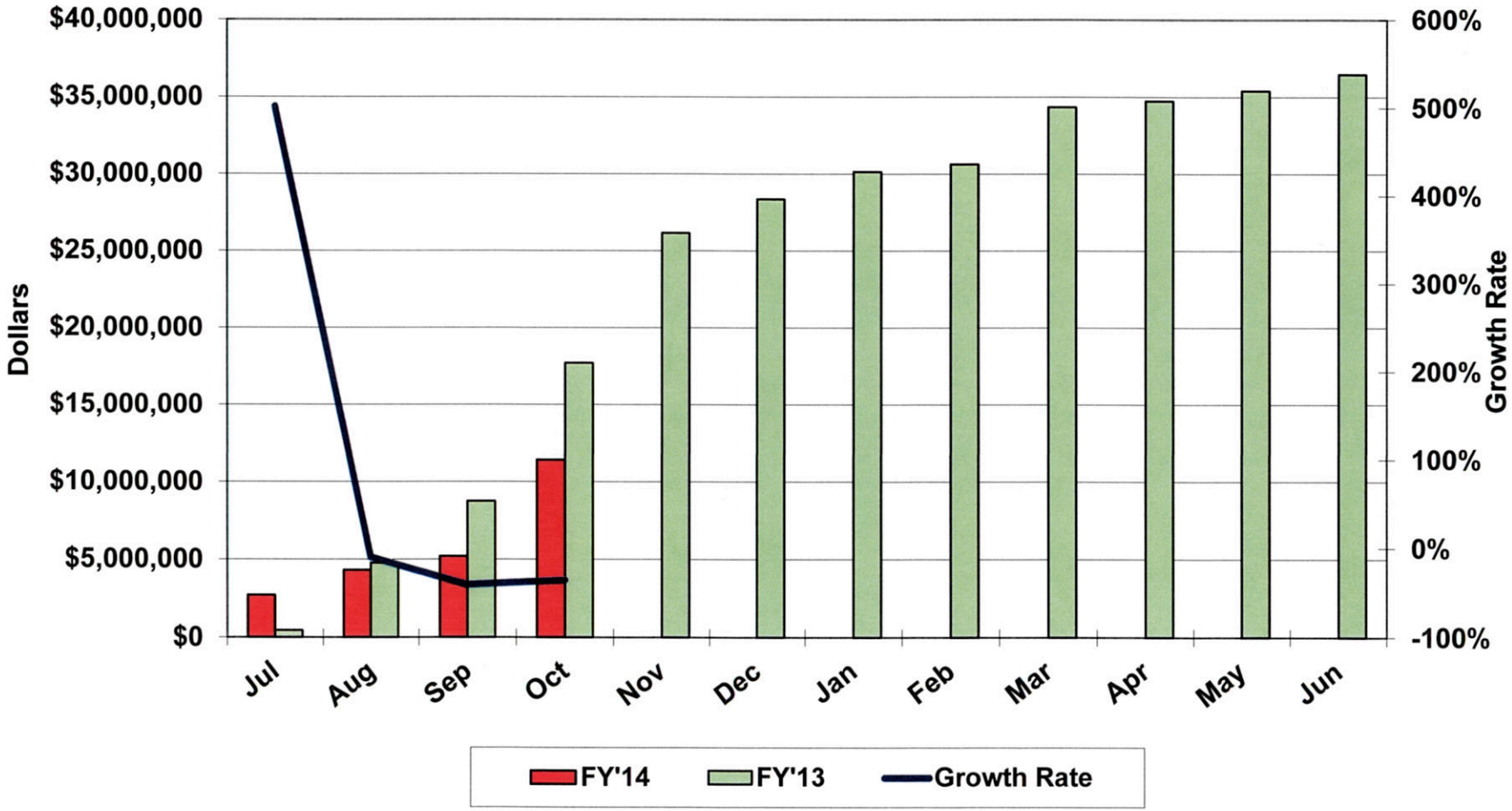
Corporate Income Tax Estimated Payments

	Month			Year-To-Date		
	FY'14	FY'13	Growth Rate	FY'14	FY'13	Growth Rate
Jul	$6,612,299	$7,198,830	-8.1%	$6,612,299	$7,198,830	-8.1%
Aug	$2,662,274	$1,704,928	56.2%	$9,274,573	$8,903,758	4.2%
Sept	$30,100,025	$29,820,133	0.9%	$39,374,598	$38,723,891	1.7%
Oct	$7,909,198	$8,857,086	-10.7%	$47,283,796	$47,580,977	-0.6%
Nov	$0	$2,473,077	-100.0%	$47,283,796	$50,054,054	-5.5%
Dec	$0	$28,660,856	-100.0%	$47,283,796	$78,714,910	-39.9%
Jan	$0	$5,184,972	-100.0%	$47,283,796	$83,899,882	-43.6%
Feb	$0	$3,184,083	-100.0%	$47,283,796	$87,083,965	-45.7%
Mar	$0	$10,007,694	-100.0%	$47,283,796	$97,091,659	-51.3%
Apr	$0	$21,398,062	-100.0%	$47,283,796	$118,489,721	-60.1%
May	$0	$4,414,158	-100.0%	$47,283,796	$122,903,879	-61.5%
Jun	$0	$31,580,514	-100.0%	$47,283,796	$154,484,393	-69.4%

Corporate Income Tax Final Payments and Back Taxes

	Month			Year-To-Date		
	FY'14	FY'13	Growth Rate	FY'14	FY'13	Growth Rate
Jul	$1,671,690	$2,841,138	-41.2%	$1,671,690	$2,841,138	-41.2%
Aug	$1,392,332	$1,418,496	-1.8%	$3,064,022	$4,259,634	-28.1%
Sept	$4,515,616	$6,437,328	-29.9%	$7,579,638	$10,696,962	-29.1%
Oct	$3,174,359	$4,427,210	-28.3%	$10,753,997	$15,124,172	-28.9%
Nov	$0	$2,653,797	-100.0%	$10,753,997	$17,777,969	-39.5%
Dec	$0	$5,958,522	-100.0%	$10,753,997	$23,736,491	-54.7%
Jan	$0	$2,373,500	-100.0%	$10,753,997	$26,109,991	-58.8%
Feb	$0	$1,957,316	-100.0%	$10,753,997	$28,067,307	-61.7%
Mar	$0	$17,606,217	-100.0%	$10,753,997	$45,673,524	-76.5%
Apr	$0	$7,227,594	-100.0%	$10,753,997	$52,901,118	-79.7%
May	$0	$1,529,858	-100.0%	$10,753,997	$54,430,976	-80.2%
Jun	$0	$3,468,017	-100.0%	$10,753,997	$57,898,993	-81.4%

Corporate Income Tax Refunds
Year-to-Date FY'14 & FY'13



Maine Revenue Services Office of Tax Policy 11/7/2013

Maine Revenue Services
Corporate Income Tax Refunds

	Month		Year-to-Date		
	FY'14	FY'13	FY'14	FY'13	Growth Rate
Jul	$2,709,214	$449,878	$2,709,214	$449,878	502%
Aug	$1,604,230	$4,322,541	$4,313,444	$4,772,419	-10%
Sep	$888,669	$3,972,161	$5,202,113	$8,744,580	-41%
Oct	$6,213,291	$8,956,676	$11,415,404	$17,701,256	-36%
Nov	$0	$8,461,069	$11,415,404	$26,162,325	-56%
Dec	$0	$2,197,474	$11,415,404	$28,359,799	-60%
Jan	$0	$1,783,295	$11,415,404	$30,143,094	-62%
Feb	$0	$495,026	$11,415,404	$30,638,120	-63%
Mar	$0	$3,708,387	$11,415,404	$34,346,507	-67%
Apr	$0	$393,918	$11,415,404	$34,740,425	-67%
May	$0	$662,007	$11,415,404	$35,402,432	-68%
Jun	$0	$1,062,949	$11,415,404	$36,465,381	-69%

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Corporate Income Tax: General Fund Baseline Forecast FY14 - FY17

	FY10	FY11	Biennium	FY12	FY13	Biennium	FY14	FY15	Biennium	FY16	FY17	Biennium
Actuals & May, 2013 Forecast /1	**$175,292,433**	**$208,996,598**	**$384,289,031**	**$232,117,995**	**$171,987,073**	**$404,105,068**	**$180,143,079**	**$186,029,606**	**$366,172,685**	**$192,165,326**	**$186,358,212**	**$378,523,538**
Growth Rate	22.5%	19.2%	-11.9%	11.1%	-25.9%	5.2%	4.7%	3.3%	-9.4%	3.3%	-3.0%	3.4%
Technical Adjustments to Prior Forecast /2	$0	$0	$0	$0	$0	$0	($13,524,849)	($13,966,800)	($27,491,649)	($14,427,460)	($13,991,471)	$3,475,611
Economic Forecast /3	$0	$0	$0	$0	$0	$0	$3,088,729	$5,588,419	$8,677,147	$8,637,238	$15,346,774	$23,984,012
Total Adjustments to Prior Forecast	$0	$0	$0	$0	$0	$0	($10,436,121)	($8,378,381)	($5,289,653)	($5,790,222)	$1,355,303	($4,434,919)
New Forecast	**$175,292,433**	**$208,996,598**	**$384,289,031**	**$232,117,995**	**$171,987,073**	**$404,105,068**	**$169,706,958**	**$177,651,225**	**$347,358,183**	**$186,375,104**	**$187,713,515**	**$374,088,619**
Growth Rate	22.5%	19.2%		11.1%	-25.9%	5.2%	-1.3%	4.7%	-14.0%	4.9%	0.7%	7.7%

1/ May, 2013 forecast with FY10, FY11, FY12 and FY13 actuals.

2/ Technical adjustments refer to all changes in the forecast that are not related to changes from new economic assumptions. Examples of technical changes may be new data, model updates and changes, and court cases that affect revenues.

3/ This line shows the incremental change in baseline revenues as a result of a new economic forecast. The new economic forecast is from Global Insight's October 2013 forecast of Corporate pre-tax profits.

Department of Administrative and Financial Services
Maine Revenue Services
Office of Tax Policy

20-Nov-13

Revenue Forecasting Committee - December 2013 - Hollywood Casino Bangor

GENERAL FUND REVENUE	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Current Forecast - General Fund Revenue	$11,769,082	$12,417,820	$7,218,227	$7,422,592	$7,497,699	$7,573,556
Incremental Effect of December 2013 Forecast			($315,758)	($292,392)	($295,318)	($298,271)
December 2013 Forecast - Revised General Fund Revenue	$11,769,082	$12,417,820	$6,902,469	$7,130,200	$7,202,381	$7,275,285

FUND FOR A HEALTHY MAINE REVENUE	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Current Forecast - Fund for a Healthy Maine Revenue	$4,500,000	$0	$4,474,606	$4,622,788	$4,669,016	$4,715,706
Incremental Effect of December 2013 Forecast		$0	($215,463)	($191,808)	($193,726)	($195,663)
December 2013 Forecast - Fund for a Healthy Maine Revenue	$4,500,000	$0	$4,259,143	$4,430,980	$4,475,290	$4,520,043

Detail of Current Revenue Forecast - Distribution of Total Income

			2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Gross Slot Income (Coin/Voucher In)	A		$637,830,858	$494,891,241	$460,911,696	$476,449,451	$481,213,946	$486,026,085
Player's Share (Payback Value)	B		$577,922,245	$445,034,048	$413,711,151	$427,375,158	$431,648,909	$435,965,398
3% Distribution to City of Bangor (.03*(A-B))		3.0%	$1,797,258	$1,495,716	$1,416,016	$1,472,229	$1,486,951	$1,501,821
General Fund - Administration (1% of Gross Slot Income)	C	1.0%	$6,378,309	$4,948,912	$4,609,117	$4,764,495	$4,812,139	$4,860,261
Net Slot Machine Income (=A-B-C)			$53,530,304	$44,908,281	$42,591,428	$44,309,798	$44,752,897	$45,200,426
Licensees' Share of Net Slot Machine Income		**61.0%**	**$32,653,486**	**$27,394,052**	**$25,980,771**	**$27,028,977**	**$27,299,267**	**$27,572,260**
Licensees' Share of Net Slot after 3% Distribution to Bangor			**$30,856,228**	**$25,898,336**	**$24,564,755**	**$25,556,748**	**$25,812,316**	**$26,070,439**
Net Table Game Income			**$1,895,676**	**$7,900,418**	**$7,529,942**	**$7,570,139**	**$7,645,841**	**$7,722,299**
Licensee's Share of Net Table Game Income		**84.0%**	**$1,592,368**	**$6,636,351**	**$6,325,152**	**$6,358,917**	**$6,422,506**	**$6,486,731**

Distribution of State Share of Net Slot Machine Income	**39.0%**	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**
General Fund (other)	3.0%	$1,605,909	$1,347,248	$1,277,743	$1,329,294	$1,342,587	$1,356,013
General Fund (After 48 months - November 2009)	1.0%	$535,303	$449,083	$425,914	$443,098	$447,529	$452,004
Fund for Healthy Maine (FHM)	10.0%	$4,500,000	$0	$4,259,143	$4,430,980	$4,475,290	$4,520,043
FHM over caps to Gen Fund ($4.5M in FY11 and FY12, $0 in FY13)		$853,030	$4,490,828	$0	$0	$0	$0
University of Maine Scholarship Fund	2.0%	$1,070,606	$898,166	$851,829	$886,196	$895,058	$904,009
Maine Community College System - Scholarship Funds	1.0%	$535,303	$449,083	$425,914	$443,098	$447,529	$452,004
Resident Municipalities	1.0%	$535,303	$449,083	$425,914	$443,098	$447,529	$452,004
Purse Supplements	10.0%	$5,353,030	$4,490,828	$4,259,143	$4,430,980	$4,475,290	$4,520,043
Sire Stakes Fund	3.0%	$1,605,909	$1,347,248	$1,277,743	$1,329,294	$1,342,587	$1,356,013
Fund to Encourage Racing at Commercial Tracks	4.0%	$2,141,212	$1,796,331	$1,703,657	$1,772,392	$1,790,116	$1,808,017
Fund to Stabilize Off-Track Betting (48 months - until Oct 2009)	2.0%	$0	$0	$0	$0	$0	$0
Fund to Stabilize Off-Track Betting (after 48 months - Nov 2009)	1.0%	$535,303	$449,083	$425,914	$443,098	$447,529	$452,004
Agricultural Fair Support Fund	3.0%	$1,605,909	$1,347,248	$1,277,743	$1,329,294	$1,342,587	$1,356,013
GF Transfer to Gambling Addiction Prevention and Treatment Fund		($50,000)	($50,000)	($100,000)	($100,000)	($100,000)	($100,000)
Gambling Addiction Prevention and Treatment Fund		$50,000	$50,000	$100,000	$100,000	$100,000	$100,000

Distribution of State Share of Net Table Game Income	**16.0%**	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**
General Fund	9.0%	$170,611	$711,038	$677,695	$681,313	$688,126	$695,007
Gambling Control Board	3.0%	$56,870	$237,013	$225,898	$227,104	$229,375	$231,669
Municipality	2.0%	$37,914	$158,008	$150,599	$151,403	$152,917	$154,446
Non-profits Conducting Beano and Games of Chance	2.0%	$37,914	$158,008	$150,599	$151,403	$152,917	$154,446

Revenue Summary	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
General Fund						
General Fund Administration (1% of gross slot income)	$6,378,309	$4,948,912	$4,609,117	$4,764,495	$4,812,139	$4,860,261
General Fund (Other)	$3,114,853	$6,948,197	$2,281,352	$2,353,705	$2,378,242	$2,403,024
Licensing revenue	$2,229,675	$520,711	$0	$0	$0	$0
Reimbursement - Background Checks	$46,245	$0	$12,000	$12,000	$12,000	$12,000
Subtotal - General Fund	**$11,769,082**	**$12,417,820**	**$6,902,469**	**$7,130,200**	**$7,202,381**	**$7,275,285**
Fund for Healthy Maine	**$4,500,000**	**$0**	**$4,259,143**	**$4,430,980**	**$4,475,290**	**$4,520,043**
Other Special Revenue Funds						
Harness Racing Commission	$11,241,363	$9,430,738	$8,944,200	$9,305,058	$9,398,109	$9,492,090
HRC - Subtotal	$11,241,363	$9,430,738	$8,944,200	$9,305,058	$9,398,109	$9,492,090
PUS- host municipalities	$25,000	$0	$25,000	$25,000	$25,000	$25,000
University of Maine Scholarship Fund	$1,070,606	$898,166	$851,829	$886,196	$895,058	$904,009
Maine Community College System Scholarships	$535,303	$449,083	$425,914	$443,098	$447,529	$452,004
Resident Municipalities	$573,217	$607,091	$576,513	$594,501	$600,446	$606,450
Gambling Addiction Prevention and Treatment Fund	$50,000	$50,000	$100,000	$100,000	$100,000	$100,000
Gambling Control Board	$56,870	$237,013	$784,048	$785,254	$787,525	$789,819
Non-profits Conducting Beano and Games of Chance	$37,914	$158,008	$150,599	$151,403	$152,917	$154,446
Subtotal - Other Special Revenue Funds	**$13,590,273**	**$11,830,099**	**$11,858,103**	**$12,290,510**	**$12,406,584**	**$12,523,818**

Details and Assumptions

Calculated Gross Slot Machine Income Per Month	# of days	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Total Gross Slot Income - Fiscal Year		**$637,830,858**	**$494,891,241**	**$460,911,696**	**$476,449,451**	**$481,213,946**	**$486,026,085**
July	31	$57,628,697	$55,845,861	$39,494,278	$44,163,065	$44,604,696	$45,050,743
August	31	$57,831,769	$47,138,172	$48,301,185	$43,208,860	$43,640,949	$44,077,358
September	30	$71,218,838	$51,620,189	$38,277,445	$41,421,664	$41,835,880	$42,254,239
October	31	$50,917,576	$39,848,873	$36,792,608	$41,142,020	$41,553,440	$41,968,975
November	30	$61,828,223	$45,138,880	$39,612,605	$39,825,000	$40,223,250	$40,625,483
December	31	$41,003,294	$29,919,525	$33,914,822	$39,924,900	$40,324,149	$40,727,390
January	31	$42,519,241	$32,231,984	$35,144,137	$35,495,578	$35,850,534	$36,209,040
February	28	$48,015,847	$32,035,553	$31,549,640	$31,865,136	$32,183,788	$32,505,626
March	31	$60,460,661	$44,196,430	$39,536,863	$39,932,232	$40,331,554	$40,734,870
April	30	$52,396,052	$36,342,576	$39,327,859	$39,721,138	$40,118,349	$40,519,533
May	31	$61,489,755	$36,462,917	$40,773,355	$41,181,088	$41,592,899	$42,008,828
June	30	$32,520,905	$44,110,281	$38,186,901	$38,568,770	$38,954,457	$39,344,002

Player's Share of Slot Machine Income Per Month	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Total Player's Share - Fiscal Year	**$577,922,245**	**$445,034,048**	**$413,711,151**	**$427,375,158**	**$431,648,909**	**$435,965,398**
July	$52,422,087	$50,346,582	$35,478,265	$39,614,270	$40,010,412	$40,410,517
August	$52,690,207	$42,497,803	$43,257,005	$38,758,347	$39,145,931	$39,537,390
September	$64,790,386	$46,280,689	$34,356,839	$37,155,232	$37,526,785	$37,902,052
October	$46,249,388	$35,933,255	$33,271,618	$36,904,392	$37,273,436	$37,646,170
November	$56,431,775	$40,725,932	$35,532,506	$35,723,025	$36,080,255	$36,441,058
December	$37,177,634	$26,782,749	$30,421,595	$35,812,635	$36,170,762	$36,532,469
January	$38,449,875	$28,982,349	$31,524,291	$31,839,534	$32,157,929	$32,479,508
February	$43,166,095	$28,715,976	$28,300,027	$28,583,027	$28,868,858	$29,157,546
March	$54,473,872	$39,621,652	$35,464,566	$35,819,212	$36,177,404	$36,539,178
April	$47,271,217	$32,822,614	$35,277,090	$35,629,861	$35,986,159	$36,346,021
May	$55,409,267	$32,731,042	$36,573,699	$36,939,436	$37,308,830	$37,681,919
June	$29,390,441	$39,593,407	$34,253,650	$34,596,186	$34,942,148	$35,291,570

Calculated Net Table Income Per Month	# of days	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Total Net Table Game Income - Fiscal Year		**$1,895,676**	**$7,900,418**	**$7,529,942**	**$7,570,139**	**$7,645,841**	**$7,722,299**
July	31	$0	$753,695	$584,229	$653,293	$659,826	$666,424
August	31	$0	$716,587	$702,642	$628,563	$634,849	$641,197
September	30	$0	$680,410	$536,004	$580,033	$585,833	$591,692
October	31	$0	$688,917	$612,819	$685,263	$692,116	$699,037
November	30	$0	$790,474	$711,426	$576,000	$581,760	$587,578
December	31	$0	$489,610	$569,172	$595,200	$601,152	$607,164
January	31	$0	$459,932	$514,302	$519,445	$524,639	$529,886
February	28	$0	$562,840	$568,468	$574,153	$579,894	$585,693
March	31	$0	$672,174	$601,307	$607,320	$613,393	$619,527
April	30	$290,034	$736,276	$796,755	$804,723	$812,770	$820,898
May	31	$702,738	$651,612	$728,642	$735,928	$743,288	$750,720
June	30	$902,904.29	$697,894	$604,176	$610,218	$616,320	$622,484

Licensing and Application Revenues - Racino:		Fee	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Slot Machine Operator- Initial Application Fee		$200,000	$0	$0	$0	$0	$0	$0
Slot Machine Operator- Annual Renewal Fee		$75,000	$75,000	$0	$0	$0	$0	$0
Transfer of Operator Renewal Fee to host municipality			($25,000)	($25,000)	$0	$0	$0	$0
Slot Machine Distributor - Initial Application Fee		$200,000	$0	$0	$0	$0	$0	$0
Slot Machine Distributor - Annual Renewal Fee	5	$75,000	$626,000	$376,350	$375,000	$375,000	$375,000	$375,000
Slot Machines - Initial Registration Fee		$100	$0	$0	$0	$0	$0	$0
Slot Machines - Annual Renewal Fee	923	$100	$104,600	$0	$92,300	$92,300	$92,300	$92,300
Gambling Services Vendors	2	$2,000	$4,200	$0	$4,000	$4,000	$4,000	$4,000
Licensed Employees - All Fees	450	$250/$25	$8,075	$89,361	$11,250	$11,250	$11,250	$11,250
Other Revenue deposited as Licensing Revenue			$0	$0	$0	$0	$0	$0
Total License Fees			**$792,875**	**$440,711**	**$482,550**	**$482,550**	**$482,550**	**$482,550**
Licensee Background Check Cost Reimbursement			$46,245	$0	$12,000	$12,000	$12,000	$12,000

Licensing and Application Revenues - Casino:		Fee	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Casino Operator - Initial Application Fee		$25,000	$25,000	$0	$0	$0	$0	$0
Casino Operator- Annual Renewal Fee		$80,000	$0	$80,000	$80,000	$80,000	$80,000	$80,000
Transfer of Operator Renewal Fee to host municipality			$0	$0	($25,000)	($25,000)	($25,000)	($25,000)
Table Game Distributor - Initial Application Fee	3	$5,000	$10,400	$0	$0	$0	$0	$0
Table Game Distributor - Annual Renewal Fee		$1,000	$0	$0	$3,000	$3,000	$3,000	$3,000
Table Games - Initial Privilege Fee	16	$100,000	$1,401,400	$0	$0	$0	$0	$0
Table Games - Annual Privilege Fee		$1,000	$0	$0	$16,000	$16,000	$16,000	$16,000
Table Games - Initial Registration Fee		$100	$0					
Table Games -Annual Registration Fee		$100	$0	$0	$1,600	$1,600	$1,600	$1,600
Licensed Employees - All Fees		$250/$25	$0	$0	$0	$0	$0	$0
Total License Fees			**$1,436,800**	**$80,000**	**$75,600**	**$75,600**	**$75,600**	**$75,600**
Licensee Background Check Cost Reimbursement								

Number of Machines	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
July	1,000	923	900	900	900	900
August	1,000	923	900	900	900	900
September	1,000	923	900	900	900	900
October	1,000	923	900	900	900	900
November	1,000	923	900	900	900	900
December	1,000	923	900	900	900	900
January	1,000	923	900	900	900	900
February	1,000	923	900	900	900	900
March	974	900	900	900	900	900
April	923	900	900	900	900	900
May	923	900	900	900	900	900
June	923	900	900	900	900	900

Payback % Average for Month	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
July	90.97%	90.15%	89.83%	89.70%	89.70%	89.70%
August	91.11%	90.16%	89.56%	89.70%	89.70%	89.70%
September	90.97%	89.66%	89.76%	89.70%	89.70%	89.70%
October	90.83%	90.17%	90.43%	89.70%	89.70%	89.70%
November	91.27%	90.22%	89.70%	89.70%	89.70%	89.70%
December	90.67%	89.52%	89.70%	89.70%	89.70%	89.70%
January	90.43%	89.92%	89.70%	89.70%	89.70%	89.70%
February	89.90%	89.64%	89.70%	89.70%	89.70%	89.70%
March	90.10%	89.65%	89.70%	89.70%	89.70%	89.70%
April	90.22%	90.31%	89.70%	89.70%	89.70%	89.70%
May	90.11%	89.77%	89.70%	89.70%	89.70%	89.70%
June	90.37%	89.76%	89.70%	89.70%	89.70%	89.70%

Average Total Slot Income Per Machine Per Day	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Average for the Fiscal Year	**$1,824.93**	**$1,452**	**$1,419**	**$1,449**	**$1,464**	**$1,478**
July	$2,058.17	$1,728.71	1,567.23	$1,583	$1,599	$1,615
August	$2,065.42	$1,823.95	1,533.37	$1,549	$1,564	$1,580
September	$2,034.82	$1,597.90	1,518.95	$1,534	$1,549	$1,565
October	$1,818.48	$1,541.90	1,460.02	$1,475	$1,489	$1,504
November	$1,766.52	$1,397.27	$1,467	$1,475	$1,490	$1,505
December	$1,464.40	$1,157.70	$1,216	$1,431	$1,445	$1,460
January	$1,518.54	$1,247.17	$1,260	$1,272	$1,285	$1,298
February	$1,714.85	$1,239.57	$1,252	$1,264	$1,277	$1,290
March	$1,774.29	$1,403.06	$1,417	$1,431	$1,446	$1,460
April	$2,102.49	$1,442.17	$1,457	$1,471	$1,486	$1,501
May	$1,903.41	1,446.94	$1,461	$1,476	$1,491	$1,506
June	$1,677.81	1,400.33	$1,414	$1,428	$1,443	$1,457

Number of Table Games	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
July		16	16	16	16	16
August		16	16	16	16	16
September		16	16	16	16	16
October		16	16	16	16	16
November		16	16	16	16	16
December		16	16	16	16	16
January		16	16	16	16	16
February		16	16	16	16	16
March	16	16	16	16	16	16
April	16	16	16	16	16	16
May	16	16	16	16	16	16
June	16	16	16	16	16	16

Table Game Win Per Day		2012-13	2013-14	2014-15	2015-16	2016-17
July		$1,345.88	$1,304.08	$1,317.12	$1,330.29	$1,343.60
August		$1,599.52	$1,254.72	$1,267.26	$1,279.94	$1,292.74
September		$1,215.02	$1,196.44	$1,208.40	$1,220.49	$1,232.69
October		$1,537.76	$1,367.90	$1,381.58	$1,395.39	$1,409.35
November		$1,411.56	$1,482.14	$1,200.00	$1,212.00	$1,224.12
December		$1,092.88	$1,147.52	$1,200.00	$1,212.00	$1,224.12
January		$1,026.63	$1,036.90	$1,047.27	$1,057.74	$1,068.32
February		$1,256.34	$1,268.90	$1,281.59	$1,294.41	$1,307.35
March	$1,116.08	$1,200.31	$1,212.31	$1,224.44	$1,236.68	$1,249.05
April	$1,510.59	$1,643.47	$1,659.91	$1,676.51	$1,693.27	$1,710.20
May	$1,416.81	$1,454.49	$1,469.04	$1,483.73	$1,498.56	$1,513.55
June	$1,881.05	$1,246.24	$1,258.70	$1,271.29	$1,284.00	$1,296.84

Revenue Forecasting Committee - December 2013 - Oxford Casino

GENERAL FUND REVENUE	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Current Forecast - General Fund Revenue	$566,407	$1,869,533	$1,589,492	$1,605,267	$1,621,199	$1,637,291
Incremental Effect of December 2013 Forecast	$0	$0	$465,909	$520,939	$526,149	$531,410
December 2013 Forecast - Revised General Fund Revenue	$566,407	$1,869,533	$2,055,401	$2,126,206	$2,147,348	$2,168,702

Detail of Current Revenue Forecast - Distribution of Total Income

		2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Total Net Slot Machine Income		$2,310,693	$55,184,410	$68,113,361	$70,473,535	$71,178,271	$71,890,053
Total Net Table Game Income		$297,302	$12,676,926	$13,861,971	$14,587,522	$14,733,398	$14,880,732
Licensees' Share of Total Net Slot Machine Income	**54.0%**	**$1,247,774**	**$29,799,581**	**$36,781,215**	**$38,055,709**	**$38,436,266**	**$38,820,629**
Licensees' Share of Total Net Table Game Income	**84.0%**	**$249,734**	**$10,648,618**	**$11,644,055**	**$12,253,519**	**$12,376,054**	**$12,499,815**
Total Licensees' Share of Net Income		**$1,497,508**	**$40,448,199**	**$48,425,270**	**$50,309,228**	**$50,812,320**	**$51,320,444**

Distribution of State Share of Net Slot Machine Income	**46.0%**	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**
K-12 Essential Programs and Services	25.0%	$577,673	$13,796,102	$17,028,340	$17,618,384	$17,794,568	$17,972,513
Maine's Penobscot and Passamaquoddy Indian Tribes	4.0%	$92,428	$2,207,376	$2,724,534	$2,818,941	$2,847,131	$2,875,602
General Fund - Administration	3.0%	$69,321	$1,655,532	$2,043,401	$2,114,206	$2,135,348	$2,156,702
University of Maine System Scholarship Fund	4.0%	$92,428	$2,207,376	$2,724,534	$2,818,941	$2,847,131	$2,875,602
Agricultural Fair Support Fund	1.0%	$23,107	$551,844	$681,134	$704,735	$711,783	$718,901
Municipality in which casino is located	2.0%	$46,214	$1,103,688	$1,362,267	$1,409,471	$1,423,565	$1,437,801
Maine Community College System Scholarship Programs	3.0%	$69,321	$1,655,532	$2,043,401	$2,114,206	$2,135,348	$2,156,702
Fund to Supplement Harness Racing Purses	1.0%	$23,107	$551,844	$681,134	$704,735	$711,783	$718,901
Sire Stakes Fund	1.0%	$23,107	$551,844	$681,134	$704,735	$711,783	$718,901
County in which casino is located	1.0%	$23,107	$551,844	$681,134	$704,735	$711,783	$718,901
Maine Dairy Farm Stabilization Fund (1% until 7/1/13)	**0.5%**	$23,107	$551,844	$340,567	$352,368	$355,891	$359,450
Dairy Improvement Fund (Beginning 7/1/13)	**0.5%**	$0	$0	$340,567	$352,368	$355,891	$359,450

Distribution of State Share of Net Table Game Income	**16.0%**	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**
K-12 Essential Programs and Services	10.0%	$29,730	$1,267,693	$1,386,197	$1,458,752	$1,473,340	$1,488,073
Gambling Control Board	3.0%	$8,919	$380,308	$415,859	$437,626	$442,002	$446,422
Municipality in which casino is located	2.0%	$5,946	$253,539	$277,239	$291,750	$294,668	$297,615
County in which casino is located	1.0%	$2,973	$126,769	$138,620	$145,875	$147,334	$148,807

Revenue Summary	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**
General Fund						
General Fund Administration	$69,321	$1,655,532	$2,043,401	$2,114,206	$2,135,348	$2,156,702
License Fees	$440,550	$318,286	$0	$0	$0	$0
Reimbursement - Background Checks	$56,536	($104,285)	$12,000	$12,000	$12,000	$12,000
Subtotal - General Fund	**$566,407**	**$1,869,533**	**$2,055,401**	**$2,126,206**	**$2,147,348**	**$2,168,702**
Other Special Revenue Funds						
Gambling Control Board	$8,919	$380,308	$2,788,609	$622,376	$636,752	$640,872
K-12 Essential Programs and Services	$607,403	$15,063,795	$18,414,537	$19,077,136	$19,267,907	$19,460,586
Maine's Penobscot and Passamaquoddy Indian Tribes	$92,428	$2,207,376	$2,724,534	$2,818,941	$2,847,131	$2,875,602
University of Maine System Scholarship Fund	$92,428	$2,207,376	$2,724,534	$2,818,941	$2,847,131	$2,875,602
Agricultural Fair Support Fund	$23,107	$551,844	$681,134	$704,735	$711,783	$718,901
Municipality in which casino is located	$52,160	$1,357,227	$1,639,507	$1,701,221	$1,718,233	$1,735,416
Maine Community College System Scholarship Programs	$69,321	$1,655,532	$2,043,401	$2,114,206	$2,135,348	$2,156,702
Fund to Supplement Harness Racing Purses	$23,107	$551,844	$681,134	$704,735	$711,783	$718,901
Sire Stakes Fund	$23,107	$551,844	$681,134	$704,735	$711,783	$718,901
County in which casino is located	$26,080	$678,613	$819,753	$850,611	$859,117	$867,708
Maine Dairy Farm Stabilization Fund	$23,107	$551,844	$340,567	$352,368	$355,891	$359,450
Dairy Improvement Fund	$0	$0	$340,567	$352,368	$355,891	$359,450
Subtotal - Other Special Revenue Funds	**$1,041,166**	**$25,757,604**	**$33,879,410**	**$32,822,374**	**$33,158,750**	**$33,488,090**

Details and Assumptions

Calculated Net Slot Machine Income Per Month	# of days	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Total Net Slot Income - Fiscal Year		**$2,310,693**	**$55,184,410**	**$68,113,361**	**$70,473,535**	**$71,178,271**	**$71,890,053**
July	31	$0	$5,014,674	$8,126,123	$9,263,783	$9,356,421	$9,449,985
August	31	$0	$4,007,985	$9,981,489	$9,103,121	$9,194,152	$9,286,094
September	30	$0	$5,280,522	$7,495,811	$8,269,575	$8,352,271	$8,435,794
October	31	$0	$4,487,774	$5,781,255	$6,590,633	$6,656,539	$6,723,105
November	30	$0	$4,814,527	$4,183,833	$4,308,000	$4,351,080	$4,394,590
December	31	$0	$3,084,241	$3,461,940	$3,564,682	$3,600,329	$3,636,332
January	31	$0	$3,793,011	$4,340,455	$4,383,859	$4,427,698	$4,471,975
February	28	$0	$3,799,156	$3,926,762	$3,966,030	$4,005,690	$4,045,747
March	31	$0	$5,638,853	$5,142,636	$5,194,062	$5,246,002	$5,298,463
April	30	$0	$4,768,555	$5,260,795	$5,313,403	$5,366,537	$5,420,202
May	31	$0	$4,465,387	$5,090,543	$5,141,449	$5,192,863	$5,244,792
June	30	$2,310,693	$6,029,725	$5,321,721	$5,374,938	$5,428,687	$5,482,974

Calculated Net Table Game Income Per Month	# of days	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Total Net Table Game Income - Fiscal Year		**$297,302**	**$12,676,926**	**$13,861,971**	**$14,587,522**	**$14,733,398**	**$14,880,732**
July	31	$0	$878,821	$1,102,505	$1,311,289	$1,324,402	$1,337,646
August	31	$0	$921,191	$1,347,712	$1,282,346	$1,295,169	$1,308,121
September	30	$0	$1,013,937	$1,088,201	$1,252,526	$1,265,051	$1,277,702
October	31	$0	$812,554	$916,650	$1,090,239	$1,101,141	$1,112,152
November	30	$0	$1,440,987	$1,247,483	$1,340,137	$1,353,538	$1,367,073
December	31	$0	$973,554	$1,088,642	$1,169,499	$1,181,194	$1,193,006
January	31	$0	$1,103,206	$1,312,124	$1,325,245	$1,338,497	$1,351,882
February	28	$0	$984,651	$1,057,784	$1,068,362	$1,079,045	$1,089,836
March	31	$0	$1,384,259	$1,317,121	$1,330,292	$1,343,595	$1,357,031
April	30	$0	$1,041,937	$1,199,276	$1,211,269	$1,223,382	$1,235,615
May	31	$0	$858,938	$1,021,598	$1,031,814	$1,042,132	$1,052,553
June	30	$297,302	$1,262,892	$1,162,877	$1,174,506	$1,186,251	$1,198,114

Licensing and Application Revenues:	#	Fee	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Casino Operator- Initial Application Fee	1	$225,000	$225,000	$0	$0	$0	$0	$0
Casino Operator- Annual Renewal Fee	1	$80,000	$0	$80,000	$80,000	$80,000	$80,000	$80,000
Slot Machine Distributor - Initial Application Fee		$200,000	$0	$0	$0	$0	$0	$0
Slot machine Distributor - Annual Renewal Fee		$75,000	$0	$0	$0	$0	$0	$0
Table Game Distributor - Initial Application Fee		$5,000	$0	$0	$0	$0	$0	$0
Table Game Distributor - Annual Renewal Fee		$1,000	$0	$0	$0	$0	$0	$0
Slot Machine and Table Game - Initial	815	$100	$55,500	$0	$0	$0	$0	$0
Slot Machine and Table Game - Annual Renewal Fee		$100	$0	$228,536	$81,500	$81,500	$81,500	$81,200
Table Game - Initial Privilege Fee	12	$100,000	$0	$0	$2,200,000	$0	$0	$0
Table Game - Annual Renewal Privilege Fee	12	$1,000	$0	$0	$0	$12,000	$22,000	$22,000
Gambling Services Vendors		$2,000	$2,200	$9,750	$0	$0	$0	$0
Number of Licensed Employees	450							
Application Fees from Licensed Employees		$250	$7,850	$0	$0	$0	$0	$0
Licensed Employees - Annual Renewal Fees		$25	$0	$0	$11,250	$11,250	$11,250	$11,250
Other Revenue deposited as Licensing Revenue			$150,000	$0	$0	$0	$0	$0
Total License Fees			**$440,550**	**$318,286**	**$2,372,750**	**$184,750**	**$194,750**	**$194,450**
Licensee Background Check Cost Reimbursement			$56,536	($104,285)	$12,000	$12,000	$12,000	$12,000

Number of Machines	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
July		528	793	851	851	851
August		528	793	851	851	851
September		528	793	851	851	851
October		725	793	851	851	851
November		790	793	851	851	851
December		790	793	851	851	851
January		790	851	851	851	851
February		790	851	851	851	851
March		793	851	851	851	851
April		793	851	851	851	851
May		793	851	851	851	851
June	528	793	851	851	851	851

Slot Machine Win per Day	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
July		$271.36	$365.98	$351	$355	$358
August		$271.10	$359.63	$345	$349	$352
September		$285.74	$337.59	$324	$327	$330
October		$221.07	$260.37	$250	$252	$255
November		174.12	$176	$169	$170	$172
December		139.43	$141	$135	$136	$138
January		171.47	$165	$166	$168	$170
February		171.75	$165	$166	$168	$170
March		203.17	$195	$197	$199	$201
April		214.76	$206	$208	$210	$212
May		201.11	$193	$195	$197	$199
June	$312.59	217.25	$208	$211	$213	$215

Number of Table Games	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
July		12	22	26	26	26
August		12	22	26	26	26
September		12	22	26	26	26
October		22	22	26	26	26
November		22	22	26	26	26
December		22	22	26	26	26
January		22	26	26	26	26
February		22	26	26	26	26
March		22	26	26	26	26
April		22	26	26	26	26
May		22	26	26	26	26
June	12	22	26	26	26	26

Table Game Win per Day	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
July		$2,092.43	$1,789.78	$1,627	$1,643	$1,660
August		$2,741.64	$1,750.27	$1,591	$1,607	$1,623
September		$2,414.14	$1,766.56	$1,606	$1,622	$1,638
October		$1,319.08	$1,488.07	$1,353	$1,366	$1,380
November		1,871.41	$1,890	$1,718	$1,735	$1,753
December		1,580.45	$1,596	$1,451	$1,466	$1,480
January		1,790.92	$1,628	$1,644	$1,661	$1,677
February		1,598.46	$1,453	$1,468	$1,482	$1,497
March		1,797.74	$1,634	$1,650	$1,667	$1,684
April		1,691.46	$1,538	$1,553	$1,568	$1,584
May		1,394.38	$1,267	$1,280	$1,293	$1,306
June	$1,769.66	1,640.12	$1,491	$1,506	$1,521	$1,536

Dec 2013 Revenue Forecast - Milk

HANDLING FEE INCOME

Month	FY14 Basic Price	FY14 Revenue	FY15 Basic Price	FY15 Revenue
June	$22.18	$88,071	$21.03	$92,164
July	$22.16	$103,316	$21.12	$92,164
August	$22.13	$97,046	$20.96	$184,328
Sept.	$22.40	$86,028	$20.91	$184,328
Oct.	$22.45	$92,164	$21.06	$92,164
Nov.	$23.45	$92,164	$20.92	$184,328
Dec.	$23.68	$92,164	$20.86	$184,328
Jan.	$23.24	$92,164	$20.50	$184,328
Feb.	$22.31	$92,164	$20.50	$184,328
March	$21.57	$92,164	$20.50	$184,328
April	$21.23	$92,164	$20.50	$184,328
May	$20.93	$184,328	$20.50	$184,328
		$1,203,936		**$1,935,444**
				$3,139,380

TIER PROGRAM PAYMENTS

		Federal Blend/CWT	Federal MILC/CWT	Average Premium	Average Support/CWT	Total Pounds	Support Payment
FY14	Jun-13	$20.20	$0.24	$0.58	$0.01	51,910,695	$3,257
	Jul-13	$20.18	$0.06	$0.62	$0.03	51,090,292	$16,340
	Aug-13	$20.28	$0.00	$0.62	$0.04	51,330,054	$19,457
	Sep-13	$20.58	$0.00	$0.59	$0.03	48,252,441	$15,294
	Oct-13	$20.93	$0.00	$0.62	$0.01	48,991,875	$2,450
	Nov-13	$21.48	$0.00	$0.62	$0.00	48,289,429	$0
	Dec-13	$21.29	$0.00	$0.62	$0.00	51,576,971	$0
	Jan-14	$20.78	$0.00	$0.62	$0.01	51,473,452	$6,820
	Feb-14	$20.11	$0.00	$0.62	$0.08	46,935,723	$38,473
	Mar-14	$19.68	$0.00	$0.62	$0.21	52,051,351	$110,839
	Apr-14	$19.40	$0.00	$0.62	$0.34	51,464,482	$175,264
	May-14	$19.18	$0.00	$0.62	$0.44	53,921,259	$234,616
						FY14 Exp	**$622,809**
				.5% of net slot inc from Oxford Casino			**$340,567**
						Net GF Exp	**$282,242**

		Federal Blend/CWT	Federal MILC/CWT	Average Premium	Average Support/CWT	Total Pounds	Support Payment
FY15	Jun-14	$19.38	$0.00	$0.62	$1.01	51,910,695	$521,982
	Jul-14	$19.44	$0.00	$0.62	$0.76	51,090,292	$385,962
	Aug-14	$19.42	$0.00	$0.62	$0.64	51,330,054	$328,301
	Sep-14	$19.49	$0.00	$0.62	$0.54	48,252,441	$262,529
	Oct-14	$19.54	$0.00	$0.62	$0.44	48,991,875	$217,339
	Nov-14	$19.41	$0.00	$0.62	$0.48	48,289,429	$232,424
	Dec-14	$19.14	$0.00	$0.62	$0.59	51,576,971	$303,030
	Jan-15	$19.00	$0.00	$0.62	$0.63	51,473,452	$321,925
	Feb-15	$19.00	$0.00	$0.62	$0.59	46,935,723	$275,598
	Mar-15	$19.00	$0.00	$0.62	$0.57	52,051,351	$295,267
	Apr-15	$19.00	$0.00	$0.62	$0.55	51,464,482	$281,071
	May-15	$19.00	$0.00	$0.62	$0.52	53,921,259	$282,784
						FY15 Exp	**$3,708,212**
				.5% of net slot inc from Oxford Casino			**$352,368**
						Net GF Exp	**$3,355,844**

Total Net GF Exp for FY 14 and 15 **$3,638,086**

HANDLING FEE INCOME

Month	FY16 Basic Price	FY16 Revenue	FY17 Basic Price	FY17 Revenue
June	$20.50	$184,328	$20.50	$184,328
July	$20.50	$184,328	$20.50	$184,328
August	$20.50	$184,328	$20.50	$184,328
Sept.	$20.50	$184,328	$20.50	$184,328
Oct.	$20.50	$184,328	$20.50	$184,328
Nov.	$20.50	$184,328	$20.50	$184,328
Dec.	$20.50	$184,328	$20.50	$184,328
Jan.	$20.50	$184,328	$20.50	$184,328
Feb.	$20.50	$184,328	$20.50	$184,328
March	$20.50	$184,328	$20.50	$184,328
April	$20.50	$184,328	$20.50	$184,328
May	$20.50	$184,328	$20.50	$184,328
		$2,211,936		**$2,211,936**
				$4,423,872

TIER PROGRAM PAYMENTS

		Federal Blend/CWT	Federal MILC/CWT	Average Premium	Average Support/CWT	Total Pounds	Support Payment
FY16	Jun-15	$19.00	$0.00	$0.62	$0.00	51,910,695	$698,479
	Jul-15	$19.00	$0.00	$0.62	$0.00	51,090,292	$596,384
	Aug-15	$19.00	$0.00	$0.62	$0.00	51,330,054	$521,806
	Sep-15	$19.00	$0.00	$0.62	$0.00	48,252,441	$440,856
	Oct-15	$19.00	$0.00	$0.62	$0.03	48,991,875	$414,713
	Nov-15	$19.00	$0.00	$0.62	$0.02	48,289,429	$365,101
	Dec-15	$19.00	$0.00	$0.62	$0.17	51,576,971	$346,080
	Jan-16	$19.00	$0.00	$0.62	$0.30	51,473,452	$321,925
	Feb-16	$19.00	$0.00	$0.62	$0.29	46,935,723	$275,598
	Mar-16	$19.00	$0.00	$0.62	$0.26	52,051,351	$295,267
	Apr-16	$19.00	$0.00	$0.62	$0.25	51,464,482	$281,071
	May-16	$19.00	$0.00	$0.62	$0.23	53,921,259	$282,784
						FY16 Exp	**$4,840,063**
						.5% of net slot inc from Oxford Casino	**$355,891**
						Net GF Exp	**$4,484,172**

		Federal Blend/CWT	Federal MILC/CWT	Average Premium	Average Support/CWT	Total Pounds	Support Payment
FY17	Jun-16	$19.00	$0.00	$0.62	$0.72	51,910,695	$698,479
	Jul-16	$19.00	$0.00	$0.62	$0.59	51,090,292	$596,384
	Aug-16	$19.00	$0.00	$0.62	$0.48	51,330,054	$521,806
	Sep-16	$19.00	$0.00	$0.62	$0.43	48,252,441	$440,856
	Oct-16	$19.00	$0.00	$0.62	$0.39	48,991,875	$414,713
	Nov-16	$19.00	$0.00	$0.62	$0.35	48,289,429	$365,101
	Dec-16	$19.00	$0.00	$0.62	$0.32	51,576,971	$346,080
	Jan-17	$19.00	$0.00	$0.62	$0.30	51,473,452	$321,925
	Feb-17	$19.00	$0.00	$0.62	$0.29	46,935,723	$275,598
	Mar-17	$19.00	$0.00	$0.62	$0.26	52,051,351	$295,267
	Apr-17	$19.00	$0.00	$0.62	$0.25	51,464,482	$281,071
	May-17	$19.00	$0.00	$0.62	$0.23	53,921,259	$282,784
						FY17 Exp	**$4,840,063**
						.5% of net slot inc from Oxford Casino	**$359,450**
						Net GF Exp	**$4,480,613**

Total Net GF Exp for FY 16 and 17 **$8,964,784**

Prepared by Tim Drake, Maine Milk Commission, 11-12-13

NOTE: Basic Price is the Class I Price and is higher than the Uniform Federal Blend Price

Tier target prices: $21.00, $20.36, $18.01, $17.83

Ben Laine's forecast ends in Dec. 2014. Actual recipts for handling fee to date

Updated: 11/22/2013

Transfers of Municipal Revenue Sharing

Current Law through May 2013 Revenue Forecast and 126th Legislature, 1st Special Session

	FY12 Act.	FY13 Act.	FY14	FY15	FY16	FY17
2702 INDIVIDUAL INCOME TAX TRANSFER	($71,784,688)	($76,326,579)	($67,950,379)	($71,326,092)	($78,085,240)	($78,609,957)
2703 CORPORATE INCOME TAX TRANSFER	($11,491,191)	($8,885,488)	($8,954,176)	($9,266,202)	($9,739,147)	($9,373,362)
2704 SALES TAX TRANS/REV SHARING TRANSFER	($48,450,028)	($49,023,369)	($54,794,743)	($58,679,129)	($60,600,293)	($57,863,737)
2738 SERVICE PROVIDER TAX TRANSFER	($2,501,694)	($2,506,059)	($2,499,953)	($2,614,636)	($2,993,420)	($2,852,238)
LGF Total 5% of Prior Months Sales and Income Tax Collections	**($134,227,602)**	**($136,741,495)**	**($134,199,251)**	**($141,886,059)**	**($151,418,100)**	**($148,699,294)**
2727 FIXED TRANSFER FROM LOCAL GOVERNMENT FUND	$40,350,638	$44,267,342	$73,306,246	$125,949,391	$0	$0
2744 FIXED TRANSFER TO DISPRO TAX BURDEN FUND	($3,000,000)	($3,500,000)	($4,000,000)	($4,000,000)	($4,000,000)	($4,000,000)
Net General Fund Transfers for Revenue Sharing	**($96,876,964)**	**($95,974,153)**	**($64,893,005)**	**($19,936,668)**	**($155,418,100)**	**($152,699,294)**
Disproportionate Tax Burden Fund (Revenue Sharing II) % Share	17.0%	18.0%	19.0%	20.0%	20.0%	20.0%
Disproportionate Tax Burden Fund (Revenue Sharing II) $ Share	$18,959,084	$20,145,348	$15,569,671	$7,187,334	$34,283,620	$33,739,859
Local Government Fund (LGF) - Revenue Sharing I Share	$77,917,880	$75,828,806	$49,323,334	$12,749,334	$121,134,480	$118,959,435

With December 2013 Revenue Revisions

	FY12 Act.	FY13 Act.	FY14	FY15	FY16	FY17
2702 INDIVIDUAL INCOME TAX TRANSFER	($71,784,688)	($76,326,579)	($68,832,213)	($72,271,596)	($78,325,457)	($78,566,025)
2703 CORPORATE INCOME TAX TRANSFER	($11,491,191)	($8,885,488)	($8,673,802)	($8,802,631)	($9,379,036)	($9,374,261)
2704 SALES TAX TRANS/REV SHARING TRANSFER	($48,450,028)	($49,023,369)	($54,150,030)	($59,205,431)	($62,217,604)	($58,449,749)
2738 SERVICE PROVIDER TAX TRANSFER	($2,501,694)	($2,506,059)	($2,446,135)	($2,507,086)	($2,802,083)	($2,612,612)
LGF Total 5% of Prior Months Sales and Income Tax Collections	**($134,227,602)**	**($136,741,495)**	**($134,102,180)**	**($142,786,744)**	**($152,724,180)**	**($149,002,647)**
2727 FIXED TRANSFER FROM LOCAL GOVERNMENT FUND	$40,350,638	$44,267,342	$73,306,246	$125,949,391	$0	$0
2744 FIXED TRANSFER TO DISPRO TAX BURDEN FUND	($3,000,000)	($3,500,000)	($4,000,000)	($4,000,000)	($4,000,000)	($4,000,000)
Net General Fund Transfers for Revenue Sharing	**($96,876,964)**	**($95,974,153)**	**($64,795,934)**	**($20,837,353)**	**($156,724,180)**	**($153,002,647)**
Disproportionate Tax Burden Fund (Revenue Sharing II) % Share	17.0%	18.0%	19.0%	20.0%	20.0%	20.0%
Disproportionate Tax Burden Fund (Revenue Sharing II) $ Share	$18,959,084	$20,145,348	$15,551,227	$7,367,471	$34,544,836	$33,800,529
Local Government Fund (LGF) - Revenue Sharing I Share	$77,917,880	$75,828,806	$49,244,707	$13,469,882	$122,179,344	$119,202,118

Incremental Changes by Components - General Fund Revenue					
2702 INDIVIDUAL INCOME TAX TRANSFER		($881,834)	($945,504)	($240,217)	$43,932
2703 CORPORATE INCOME TAX TRANSFER		$280,374	$463,571	$360,111	($899)
2704 SALES TAX TRANS/REV SHARING TRANSFER		$644,713	($526,302)	($1,617,311)	($586,012)
2738 SERVICE PROVIDER TAX TRANSFER		$53,818	$107,550	$191,337	$239,626
		$97,071	($900,685)	($1,306,080)	($303,353)

Prepared by the Office of Fiscal and Program Review

Revenue Sharing Transfer Calculations - December 2013 Revenue Forecast
Calculation of Lag Effect

Annual Totals for Revenue Sharing Taxes	FY 2012 Act.	FY 2013 Act.	FY 2014	FY 2015	FY 2016	FY 2017
Sales and Use Tax	981,257,805	986,747,637	1,108,677,783	1,189,592,333	1,124,149,905	1,173,045,251
Service Provider Tax	48,255,501	50,139,878	49,317,427	50,303,776	51,309,851	52,336,048
Individual Income Tax	1,434,217,189	1,521,862,756	1,380,685,000	1,447,229,000	1,519,437,000	1,576,303,000
Corporate Income Tax	232,117,995	171,987,073	169,706,958	177,651,225	186,375,104	187,713,515
Total Revenue Sharing Base Changes	2,695,848,491	2,730,737,344	2,708,387,168	2,864,776,334	2,881,271,860	2,989,397,814
June Tax Collections as a percent of Total Fiscal Year Tax Collections						
Sales and Use Tax			18.75%	17.93%	8.28%	8.28%
Service Provider Tax			17.76%	17.74%	8.17%	8.17%
Individual Income Tax			12.92%	12.45%	8.76%	8.76%
Corporate Income Tax			18.50%	18.57%	17.06%	17.06%

June Revenue Sharing General Fund transfer amounts transferred in July of next fiscal year [1]

	FY 2012 Act.	FY 2013 Act.	FY 2014	FY 2015	FY 2016	FY 2017
Sales and Use Tax (2704)	(8,794,044)	(9,108,057)	(10,391,916)	(10,666,102)	(4,655,993)	(4,858,507)
Service Provider Tax (2738)	(417,348)	(418,283)	(438,019)	(446,122)	(209,532)	(213,722)
Individual Income Tax (2702)	(8,951,702)	(8,718,246)	(8,920,283)	(9,010,137)	(6,656,530)	(6,905,655)
Corporate Income Tax (2703)	(2,044,588)	(1,758,454)	(1,570,000)	(1,649,930)	(1,589,649)	(1,601,064)
Total	(20,207,682)	(20,003,040)	(21,320,218)	(21,772,291)	(13,111,704)	(13,578,948)
June Prior Year Minus June Current Year = General Fund Revenue Increase (Decrease) from Lag Effect						
Sales and Use Tax (2704)	612,862	314,013	1,283,859	274,186	(6,010,109)	202,514
Service Provider Tax (2738)	(88,919)	935	19,736	8,103	(236,590)	4,190
Individual Income Tax (2702)	(73,829)	(233,456)	202,037	89,854	(2,353,607)	249,125
Corporate Income Tax (2703)	114,709	(286,134)	(188,454)	79,930	(60,281)	11,415
Total	564,823	(204,642)	1,317,178	452,073	(8,660,587)	467,244
General Fund Transfers @ 5% of Base with Lag Effect						
Sales and Use Tax (2704)	(48,450,028)	(49,023,369)	(54,150,030)	(59,205,431)	(62,217,604)	(58,449,749)
Service Provider Tax (2738)	(2,501,694)	(2,506,059)	(2,446,135)	(2,507,086)	(2,802,083)	(2,612,612)
Individual Income Tax (2702)	(71,784,688)	(76,326,594)	(68,832,213)	(72,271,596)	(78,325,457)	(78,566,025)
Corporate Income Tax (2703)	(11,491,191)	(8,885,488)	(8,673,802)	(8,802,631)	(9,379,036)	(9,374,261)
Subtotal - Before Fixed Transfer	(134,227,602)	(136,741,510)	(134,102,180)	(142,786,744)	(152,724,180)	(149,002,647)

Notes:

[1] Reflects the monthly distribution for the revenue sharing taxes for FY 2013 based on the revisions in this December 2013 revenue forecast.

Prepared by the Office of Fiscal and Program Review