



STATE OF MAINE
 DEPARTMENT OF ADMINISTRATIVE & FINANCIAL SERVICES
 BURTON M. CROSS BUILDING, 3RD FLOOR
 78 STATE HOUSE STATION
 AUGUSTA, MAINE 04333-0078

SERVING THE PUBLIC AND DELIVERING ESSENTIAL SERVICES TO STATE GOVERNMENT

JANET T. MILLS
 GOVERNOR

KIRSTEN LC FIGUEROA
 COMMISSIONER

TO: Municipal and County Officials
 DATE: September 29, 2023
 RE: **Next Year's LD 1 Average Personal Income Growth is 4.69%**

With the passage of "LD 1" in 2005, towns and counties are required to calculate a property tax levy limit each year based on local property growth and statewide average personal income growth. Each town and county is responsible for calculating its property growth using the most recent valuation data available while the State Economist is responsible for calculating income growth. For the purpose of calculating municipal property tax levy limits for next year's municipal budgets (the 1/1/2024 - 12/31/2024 budget year for municipalities on a calendar-year budget or the 7/1/2024 - 6/30/2025 budget year for municipalities on a fiscal-year budget), the State Economist has determined average personal income growth to be 4.69%. The table below shows how this figure was calculated.

Calculation of Maine's "Average Personal Income Growth"

Calendar Year	Nominal Personal Income (thousands)	% Change
2012	\$53,227,299	
2013	\$53,240,177	0.02%
2014	\$54,984,552	3.28%
2015	\$57,356,461	4.31%
2016	\$59,286,784	3.37%
2017	\$61,740,123	4.14%
2018	\$64,463,181	4.41%
2019	\$67,842,214	5.24%
2020	\$74,042,383	9.14%
2021	\$80,825,703	9.16%
2022	\$83,950,595	3.87%
AVERAGE		4.69%

Source: U.S. Bureau of Economic Analysis

This calculation reflects the revised methodology described in 5 MRSA §1531 as amended by P.L. 2015 Chapter 267, Part L: "'Average personal income growth" means the average for the prior 10 calendar years, ending with the most recent calendar year for which data is available, of the percent change in personal income in this State, as estimated by the United States Department of Commerce, Bureau of Economic Analysis." 2022 is currently the most recent year for which data is available.