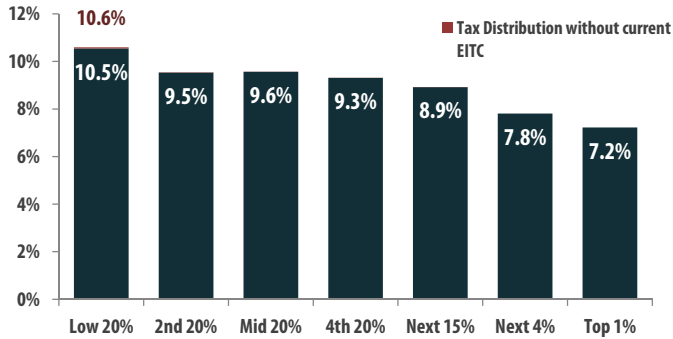


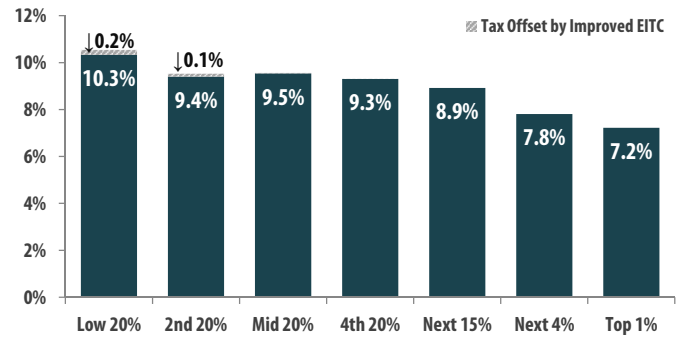
Current policy: Non-refundable state EITC worth 5% of the Federal Credit

Income Group	Low 20%	2nd 20%	Mid 20%	4th 20%	Next 15%	Next 4%	Top 1%
Income Range	Less than \$19,000	\$19,000 – \$32,000	\$32,000 – \$49,000	\$49,000 – \$79,000	\$79,000 – \$146,000	\$146,000 – \$328,000	\$328,000 – Or More
Average Income in Group	\$11,800	\$25,100	\$40,400	\$62,000	\$100,900	\$197,900	\$703,200

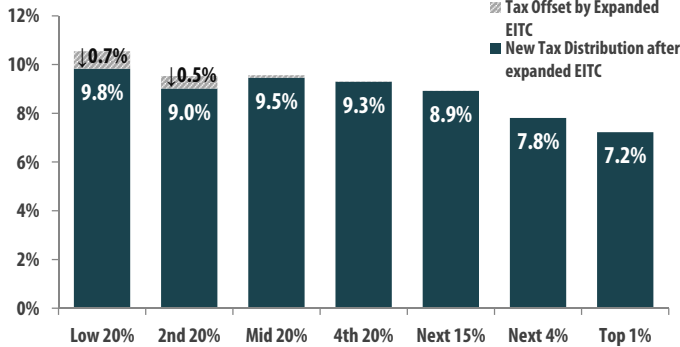
Current Distribution of Maine's State & Local Taxes* (w/EITC impact)



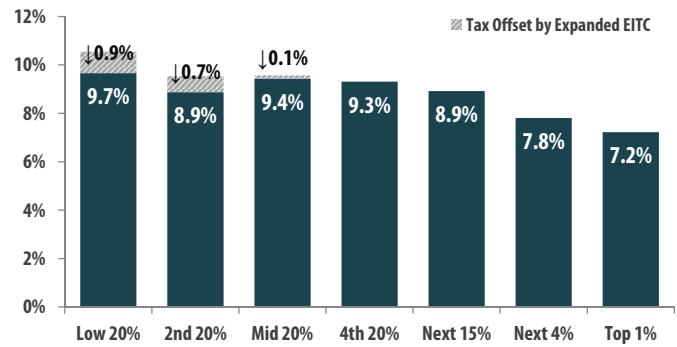
1) First Fix: Convert to Fully Refundable 5% Credit



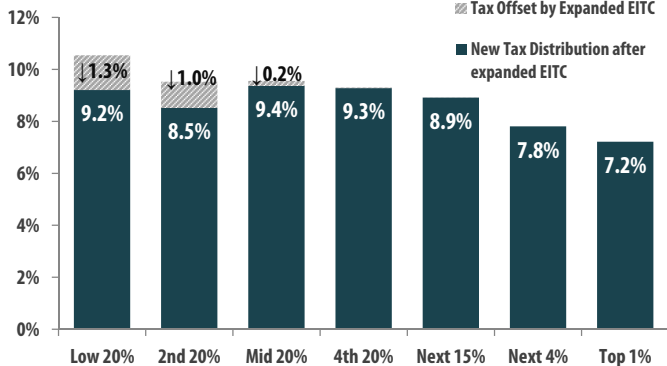
2) Make Credit Refundable and Increase to 16%



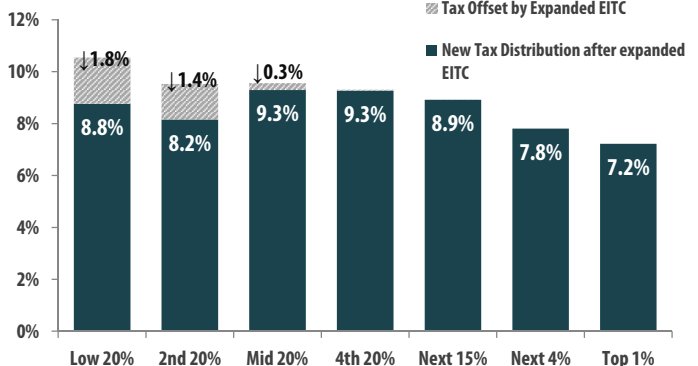
3) Make Credit Refundable and Increase to 20%



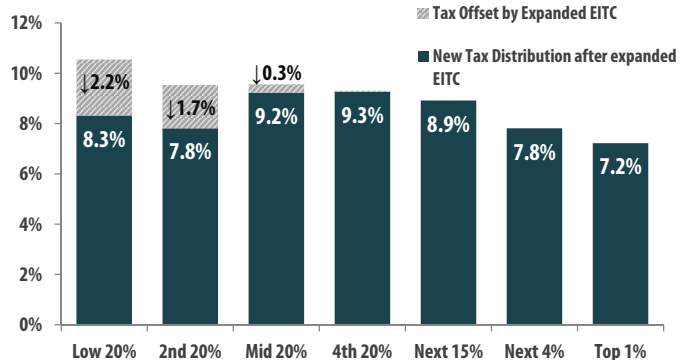
4) Make Credit Refundable and Increase to 30%



5) Make Credit Refundable and Increase to 40%



6) Make Credit Refundable and Increase to 50%



*The baseline distribution of taxes used in this report has been modified from the published *Who Pays?* results to reflect the following changes enacted in 2013: decoupling from the federal standard deduction for married filing jointly (MFJ) taxpayers (a decrease in the MFJ standard deduction), capping allowable itemized deductions at \$27,500, and converting the state's property tax circuit breaker from a more generous rebate to a less generous refundable personal income tax credit. The figures represent total state and local taxes as a share of income, post-federal offset. Due to rounding, the new tax distributions shown may not always precisely equal the current distribution minus the EITC offset.