

# MAINE STATE LEGISLATURE

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# 119th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1999

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Legislative Document

No. 2281

S.P. 873

In Senate, December 9, 1999

**An Act to Grant Municipalities Greater Flexibility in their Arrangements  
for Tax Base Sharing Agreements.**

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 9, 1999. Referred to the Committee on Taxation and ordered printed pursuant to Joint Rule 308.2

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator MILLS of Somerset.

**Be it enacted by the People of the State of Maine as follows:**

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**Sec. 1. 30-A MRSA §5752, sub-§3,** as amended by PL 1997, c. 663, §1, is further amended to read:

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**3. Administration.** The shared valuation must be assessed in the municipality in which the property is located. It must be taxed at the rate applicable in that municipality. The tax so assessed must be collected by the municipality in which the property is located and the share of that tax, as specified in the tax base sharing agreement, must be remitted within 15 days after collection or within such other period of time as the parties to the tax base sharing agreement specify to the other municipality or municipalities on the basis of the terms of the agreement to which they are parties. The municipality in which the property is located may be authorized by the tax base sharing agreement to make payments due to the other municipality or municipalities that are parties to the agreement to another party or entity. Payments to another party or entity must be for purposes that have a general public benefit.

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**SUMMARY**

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This bill permits flexibility among municipalities that are parties to a tax base sharing agreement to specify a period of time that they have agreed to within which the collecting municipality, which is the municipality in which the property that is the subject of the tax base sharing agreement is located, shall remit the respective shares of collected taxes to the municipalities that are parties to the tax base sharing agreement.

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