

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 237

S.P. 103

In Senate, January 21, 2025

**An Act to Increase the Percentage of Funds Provided to
Municipalities Through State-Municipal Revenue Sharing**

Received by the Secretary of the Senate on January 16, 2025. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator BALDACCI of Penobscot.
Cosponsored by Senator: GROHOSKI of Hancock.

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

2 **Sec. 1. 30-A MRSA §5681, sub-§5**, as amended by PL 2023, c. 412, Pt. XXX, §1
3 and affected by §15, is repealed and the following enacted in its place:

4 **5. Transfers to funds.** Beginning January 1, 2026 and before January 1, 2027, no
5 later than the 10th day of each month, the State Controller shall transfer to the Local
6 Government Fund 5.5% of the receipts during the previous month from the taxes imposed
7 under Title 36, Parts 3 and 8 and Title 36, section 2552, subsection 1-A and credited to the
8 General Fund without any reduction, except that the postage, state cost allocation program
9 and programming costs of administering state-municipal revenue sharing may be paid by
10 the Local Government Fund. Twenty percent of the amounts transferred to the Local
11 Government Fund each month must be transferred to the Disproportionate Tax Burden
12 Fund and distributed pursuant to subsection 4-B.

13 Beginning January 1, 2027, no later than the 10th day of each month, the State Controller
14 shall transfer to the Local Government Fund 6% of the receipts during the previous month
15 from the taxes imposed under Title 36, Parts 3 and 8 and Title 36, section 2552, subsection
16 1-A and credited to the General Fund without any reduction, except that the postage, state
17 cost allocation program and programming costs of administering state-municipal revenue
18 sharing may be paid by the Local Government Fund. Twenty percent of the amounts
19 transferred to the Local Government Fund each month must be transferred to the
20 Disproportionate Tax Burden Fund and distributed pursuant to subsection 4-B.

21 **Sec. 2. Effective date.** This Act takes effect January 1, 2026.

22 **SUMMARY**

23 This bill increases the percentage of funds provided to municipalities through state-
24 municipal revenue sharing to 5.5% beginning January 1, 2026 and to 6% beginning January
25 1, 2027.