

# MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIFTH LEGISLATURE

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**Legislative Document**

**No. 1461**

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S. P. 501

In Senate, March 17, 1971

Referred to Committee on Taxation. Sent down for concurrence and ordered printed.

HARRY N. STARBRANCH, Secretary

Presented by Senator Kellam of Cumberland.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-ONE

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**AN ACT** Relating to the Sharing of the State Sales Tax Revenue.

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

**Sec. 1. R. S., T. 36, § 1814, additional.** Title 36 of the Revised Statutes is amended by adding a new section 1814 to read as follows:

**§ 1814. Payment to municipalities**

Monthly the Treasurer of the State shall pay to the treasurers of the several municipalities of the State, to be disbursed for the necessary expenses of local government as determined or appropriated by the legislative body of such municipality for the public welfare within the purposes specified in Title 30, a sum equal to 10% of the net revenue from the State Sales Tax imposed by section 1811 during the last preceding month from retailers registered as doing business in their respective municipalities.

**Sec. 2. Application.** The first disbursements shall be made on or before February 28, 1972 covering net revenue for the month ending January 1, 1972.

**Sec. 3. Appropriation.** There is appropriated from the General Fund to the Department of Finance and Administration to carry out the purpose of this Act, the sum of \$6,972. The breakdown shall be as follows:

	1971-72	1972-73
FINANCE AND ADMINISTRATION, DEPARTMENT OF		
Bureau of Taxation Administration		
Personal Services	(1) \$2,873	(1) \$3,939
Capital Expenditures	160	—
	<hr/> \$3,033	<hr/> \$3,939

## STATEMENT OF FACT

The intent of this bill is to have municipalities share in state sales tax revenue by paying monthly to municipalities 10% of the sales tax imposed on retailers doing business in their municipalities. The estimated loss of revenue to the State of Maine for the fiscal year ending June 30, 1972 is \$4,015,000 and for the fiscal year ending June 30, 1973 is \$8,030,000.