

MAINE STATE LEGISLATURE

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(EMERGENCY)

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 705

H. P. 569

House of Representatives, February 19, 1975

Referred to the Committee on Education. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Carroll of Limerick.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT to Clarify Assessment of the School Tax.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the present statute requires the local units to raise more money for schools than can be allocated in the subsidy program; and

Whereas, this provision would create undue hardship on all the municipalities and taxpayers of the State; and

Whereas, clarification is essential to protect the interests of all taxpayers; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 36 MRSA § 451, as last repealed and replaced by PL 1973, c. 783, § 45, is repealed and the following enacted in place thereof:

§ 451. Rate of tax

For necessary expenses of local and State Government, a tax is assessed at the rate of $3\frac{7}{8}$ mills on the dollar applied to a 100% valuation for the period January 1st through June 30, 1975, $9\frac{1}{4}$ mills for the fiscal year ending

June 30, 1976, 10 $\frac{3}{4}$ mills for the fiscal year ending June 30, 1977, 12 $\frac{1}{4}$ mills for the fiscal year ending June 30, 1978 and 13 $\frac{3}{4}$ mills for the fiscal year ending June 30, 1979 and every year thereafter upon each municipality and the unorganized territory.

In addition to the above, a school tax is assessed which shall be determined as follows: The Commissioner of Educational and Cultural Services with the approval of the State Board of Education shall annually, prior to February 3, certify to the State Tax Assessor the estimated total public school education costs for each school year, July 1st to June 30th. A tax is assessed at a rate that is equivalent to 25% of the estimated total state public school education costs as certified by the commissioner, divided by the total of the most recent state valuation adjusted upward to the nearest $\frac{1}{4}$ mill as filed under section 381 at 100% state valuation for the tax year 1974. Thereafter, a tax is assessed at a rate that is equivalent to 50% of the estimated total state public school education costs as certified by the commissioner, divided by the total of the most recent state valuation adjusted upward to the nearest $\frac{1}{4}$ mill as filed under section 381 at 100% state valuation.

The State Director of Property Taxation shall determine the tax rate and the amount to be assessed on each municipality and the unorganized territory. In any event, such rate shall never exceed whatever shall from time to time be the weighted average municipal tax rate. The "weighted average municipal tax rate" means the total municipal property taxes levied statewide for the previous year, as determined by the State Director of Property Taxation from the annual return of municipal assessors pursuant to section 383, divided by the state valuation of municipalities in effect for the previous year adjusted to a 100% basis. The valuation as determined by the State Director of Property Taxation, as set forth in the statement filed by him as provided by section 305, subsection 1, shall be the basis for the computation and apportionment of the tax assessed.

The method for determining the amount of state tax due in a calendar year is to add the state tax for the period January 1st to June 30th of the same year to the state tax for the period July 1st to December 31st of the same year. The state tax as determined for a fiscal year is to be divided by 2 to establish the amount of tax for the period July 1st to December 31st or January 1st to June 30th.

The State Director of Property Taxation shall before July 1st, annually, determine the amount of state tax to be assessed and collected for the year in the unorganized territory. The rate of taxation in the unorganized territory is to be determined by dividing the amount of state tax by the total valuation of taxable property in the unorganized territory on April 1st of the same year.

Sec. 2. 36 MRSA § 452 is repealed and the following enacted in place thereof:

§ 452. Assessment of state property tax

In 1975 the state tax described in section 451 is to be assessed as of January 1, 1975 for the period January 1st through June 30, 1975. On July 1, 1975 and on each July 1st thereafter, the state tax described in section 451 is to be

assessed for the fiscal year ending June 30th of the following calendar year.

As soon as practicable after April 1st, annually, the State Director of Property Taxation shall certify to each municipality the amount of state tax due under section 451 in the current calendar year. The State Director of Property Taxation shall send the certification to the municipal officers of each municipality, requiring them to assess the sum so certified, according to the law for the assessment of taxes and add the amount of such tax to the amount of county and municipal taxes to be by them assessed in their municipality.

Sec. 3. 36 MRSA § 453, as last repealed and replaced by PL 1973, c. 783, § 46, is repealed and the following enacted in place thereof:

§ 453. Payment of state tax by municipalities

The certification made pursuant to section 452 shall require the municipal officers to issue their warrant requiring the collector of their municipality to collect and pay to the treasurers of their municipality the sums against said municipality required by this subchapter. The municipal treasurer shall pay to the treasurer of the School Administrative District or community school district, where such a district exists, in quarterly installments, that portion of the school tax levied under section 451 which does not exceed the municipality's share of the allocation to the administrative unit as computed and adjusted under Title 20, section 3713. The Commissioner of Educational and Cultural Services shall annually, on or before February 15th, notify the municipal officers of each municipality of the amount allocated to that municipality pursuant to Title 30, section 3713 for the coming year and of the amount of the school tax, if any, which shall be paid to the Treasurer of State. Each municipal treasurer shall pay to the Treasurer of State a sum equivalent to that portion of the school tax levied under section 451 which exceeds the municipality's share of the allocation and adjustments to the unit as computed under Title 20, section 3713. For the calendar year 1975 and thereafter, payments of amounts due shall be made to the Treasurer of State in semiannual installments payable on or before the 15th day of June and on or before the 15th day of December.

The tax assessed under the first paragraph of section 451, in each municipality shall be paid when collected to the treasurer thereof to be by him disbursed for necessary expenses of local government as determined or appropriated by the legislative body of such municipality within the purposes specified in Title 30.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

STATEMENT OF FACT

The purpose of this bill is expressed in the emergency preamble.