

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
107TH LEGISLATURE

HOUSE AMENDMENT" I "to H.P. 1437, L.D. 1452, Bill, "AN ACT to Fund Public School Education."

Amend said Bill in section 13 in that part designated "§3711." by striking out all of the first underlined paragraph and inserting in place thereof the following:

'It is declared to be the intent of the Legislature to reduce the burden of the cost of public schools which is borne by the state property tax to 50% for the fiscal year 1975-76 and 45% in fiscal year 1976-77 and thereafter and to provide 50% of the total cost of education from general fund sources in fiscal year 1975-76 and 55% in fiscal year 1976-77 and thereafter.'

Further amend said Bill in section 19 by striking out all of the last underlined sentence and inserting in place thereof the following:

'Fifty percent of the sum shall come from general fund sources and 50% of the sum from the uniform state property school tax for 1975-76. In 1976-77 and thereafter, 55% shall come from general fund sources and 45% of the sum from the uniform state property school tax.'

Further amend said Bill in section 35 in that part designated "§451." in the 2nd paragraph by striking out all of the next to the last underlined sentence and inserting in place thereof the following:

'The Legislature shall annually, prior to April 1st, certify by joint order the amount which it deems reasonably necessary for the support of public education to the State Director of Property Taxation.'

Further amend said Bill in section 35 in that part designated "§451." in the 4th paragraph by striking out all of the first underlined sentence and inserting in place thereof the following:

'A uniform school tax is assessed at a rate equivalent to 25% of the amount certified by the Legislature for the period January 1st through June 30, 1975; and 50% of the amount certified by the Legislature for the fiscal year ending June 30, 1976 and 45% of the amount certified for the fiscal year ending June 30, 1977 and thereafter; divided by the state valuation then in effect.'

Further amend said Bill by striking out all of the 3rd, 4th, 5th and 6th underlined sentences of that part designated "§453." of section 37 and inserting in place thereof the following:

'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 20, section 3713 for the coming year. Amounts raised over and above the allocation may be retained for municipal purposes only for the fiscal year 1975-76.'

Further amend said Bill in section 37 by striking out all of the 2nd paragraph of that part designated "§453."

Further amend said Bill by striking out all of section 43-A and inserting in place thereof the following:

'Sec. 43-A. 36 M RSA §5111, tax table, as enacted by P&SL, 1969, c. 154, §F, is amended to read:

| If the taxable income is: | The tax is: |
|--------------------------------|---|
| Not over \$2,000 | 1% <u>1 1/4%</u> of the taxable income |
| \$2,000 but not over \$5,000 | \$20 <u>\$25</u> plus 2% <u>2 1/2%</u> of excess over \$2,000 |
| \$5,000 but not over \$10,000 | \$80 <u>\$100</u> plus 3% <u>3 3/4%</u> of excess over \$5,000 |
| \$10,000 but not over \$25,000 | \$230 <u>\$287.50</u> plus 4% <u>5%</u> of excess over \$10,000 |
| \$25,000 but not over \$50,000 | \$830 <u>\$1,037.50</u> plus 5% <u>6 1/4%</u> of excess over \$25,000 |
| \$50,000 or more | \$2,080 <u>\$2,600</u> plus 6% <u>7 1/2%</u> of excess over \$50,000 |

Sec. 43-B. PL 1975, c. 15 is repealed.

Statement of Fact

This amendment implements recommendations No. 8 of the Educational Subsidy Commission. It will cost \$13,000,000 to eliminate the pay-in feature on L. D. 1994 for fiscal year 1975-76 and to increase the general fund share to 55% in 1976-77. This amount will be raised by an increase in the personal income tax contained in this amendment. The purpose of this amendment is also to remove from L.D. 1452 the requirement for certain towns to pay money over and above the amount required for support of their own schools.

Filed by Mr. Rolde of York.

Reproduced and distributed under the direction of the Clerk of the House.

4/10/75

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