

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
109TH LEGISLATURE
FIRST REGULAR SESSION

(Filing No. S-340)

COMMITTEE AMENDMENT " A" to S.P. 157, L.D. 332, Bill,

"AN ACT Relating to State-municipal Revenue Sharing."

Amend the bill by inserting after the enacting clause the following:

'Sec. 1. 30 MRSA §5055, sub-§3, first ¶, first sentence as enacted by PL 1971, c. 478, §1, is amended to read: Moneys credited to the Local Government Fund under subsection 5 shall first be distributed in accordance with the reimbursement schedule in section 5056, subsection 2. Funds remaining shall be distributed on the basis of a formula which provides a varying amount of per capita revenue sharing aid to communities based upon the comparative tax burden of each municipality.'

Further amend the bill in section 1, subsection 5, first line, by striking out "11%" and inserting in its place the following: '7%'

Further amend the bill by inserting before the statement of fact the following:

'Sec. 4. 30 MRSA §5056, sub-§2, first sentence as enacted by PL 1973, c. 592, §2, is amended to read: The Treasurer of State shall reimburse each municipality-~~on or before December 15th~~, annually-out of the Local Government Fund, created in section 5055, on the 20th day of each month, for any revenue loss due to personal property exempted under Title 36, section 655, subsection 1, paragraphs A, B, C and D.

D or R.

by adding

Further amend the bill at the end before the statement of fact the following:

'Sec. 5. Deappropriation. The following amount appropriated in Public Law 1979, chapter 164 is deappropriated.

TREASURY DEPARTMENT	<u>1980-81</u>
Inventory Tax Reimbursement	
All Other	(\$5,720,000)

Sec. 6. Effective Date. This Act shall take effect on July 1, 1980.

Fiscal Note

The cost of this bill is \$7,202,500 less the (\$5,720,000) for a net cost of \$1,482,500.'

Further amend the bill by renumbering sections 1 and 2 to read 2 and 3.

Statement of Fact

The purpose of the amendment is to lower the municipal share of the Sales and Use Tax from 11% to 7% and to provide for a phased in increase in the State and Municipal Revenue Sharing Program that corresponds with the phasing out of the inventory tax reimbursement program, and to remove an appropriation no longer needed.