

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 332

S. P. 157

In Senate, February 6, 1979

Referred to the Committee on Appropriations and Financial Affairs. Sent down for concurrence and ordered printed.

Presented by Senator Pierce of Kennebec.

Cosponsor: Senator Minkowsky of Androscoggin.

MAY M. ROSS, Secretary of the Senate

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT Relating to State-municipal Revenue Sharing.

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

Sec. 1. 30 MRSA § 5055, sub-§ 5, first and 2nd paragraphs, as amended, are further amended to read:

5. Treasurer of State. An amount equal to ~~4%~~ **11%** of the receipts from the taxes imposed under Title 36, ~~Parts Part 3 and 8, and 4% of the receipts from the taxes imposed under Title 36, Part 8,~~ and credited to the General Fund shall be transferred by the Treasurer of State to the Local Government Fund on the first day of each month, beginning July 1, ~~1973~~ **1979**.

The Treasurer of State shall distribute the balance in the Local Government Fund ~~as of July 1, 1972, on the 15th day of July 1972, and the balance in the Local Government Fund as of December 1, 1972, on the 20th day of December 1972, and thereafter, the balance in the Local Government Fund on the first of each month, beginning July 1, 1973, shall be distributed on the 20th day of each month, beginning July 20, 1973~~ **1979**.

Sec. 2. 30 MRSA § 5055, sub-§ 5, last paragraph, as last amended by P&SL 1975, c. 147, Part C, § 15, is repealed as follows:

~~Notwithstanding the provisions of this subsection, during the fiscal year July 1, 1976, through June 30, 1977, an amount equal to 3.58% of the receipts from taxes imposed under Title 36, Parts 3 and 8, and credited to the General Fund, shall be transferred by the Treasurer of State to the Local Government Fund on the first day of each month~~

STATEMENT OF FACT

This bill would raise from 4% to 11% the sales and use tax share of the General Fund to be allocated to the Local Government Fund to carry out the program of state-municipal revenue sharing. The intent is to replace revenues lost under the repeal of the business inventories and livestock tax. The current inventory tax reimbursement program provides municipalities \$8,547,460. In addition to this amount, an appropriation of \$6,013,000 is required to meet the increase from 4% to 11%.