

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES (Filing No. H-639)
109TH LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "D" to COMMITTEE AMENDMENT "A" to H.P. 1115,
L.D. 1244, Bill, "AN ACT to Amend the Tree Growth Tax Law."

Amend the Amendment in section 4 in subsection 3, paragraph A
by inserting at the end after the punctuation the underlined
word 'or'

Further amend the Amendment by striking out all of section 12
and inserting in its place the following:

'Sec. 12. 36 MRSA §578, sub-§1, 3rd sentence, as repealed
and replaced by PL 1977, c. 282, is repealed.
subsection 1,
Sec. 12-A. 36 MRSA §578, /as last amended by PL 1977, c. 720,
§3, is further amended by inserting after the first paragraph the
following:

For tax years beginning on or after January 1, 1979, a municipality's
annual reimbursement shall be the greater of the amounts computed
as follows; either;

A. For any tax year in which a municipality's aggregate
tax assessed on lands classified under this subchapter is
less than the aggregate tax that could have been assessed,
but for this subchapter, on the same lands if the lands were
assessed according to the undeveloped acreage used in the
state valuation then in effect, adjusted by the municipal
ratio, the amount shall equal the taxes lost, with adjustments
for any state school subsidies that may be affected
by changes in municipal valuations caused by the use of

undeveloped acreage valuation, to the extent of 50% for the tax year beginning in 1979, 70% for the tax year beginning in 1980 and 90% for the tax years beginning in 1981 and thereafter of such loss upon proof of the facts in form satisfactory to the State Tax Assessor; or

B. The amount shall equal in the tax year beginning in 1979, 90%; in 1980, 70%; in 1981, 50%; and in 1982 and thereafter, 0% of the amount received as reimbursement by the town for the tax year beginning in 1978.

If the amount available for reimbursement is not sufficient to pay all of the approved claims for reimbursement, the State Tax Assessor shall prorate claims in proportion to the dollar amount of approved claims timely filed and on hand at the time of proration. Any such deficiency shall be made up and reimbursed in the subsequent year.'

Further amend the Amendment by inserting after section 14 the following:

'Sec. 14-A. 36 MRSA §578, sub-§1-A is enacted to read:

1-A. Funding of reimbursement. If sufficient moneys are not available from general revenue sources to fund the reimbursement to municipalities provided in subsection 1, the Legislature shall provide the reimbursement from alternative tax sources.'

Further amend the Amendment by striking out all of section 16 and inserting in its place the following:

Sec. 16. Appropriation. The following funds shall be appropriated from the General Fund to carry out the purposes of this Act.

	<u>1979-80</u>	<u>1980-81</u>
FINANCE AND ADMINISTRATION, DEPARTMENT OF		
Bureau of Taxation		
Tree Growth Tax Reimbursement		
All Other	\$340,000	(\$500,000)

Statement of Fact

This amendment strikes all references to a severance tax. Reimbursement to municipalities for the tax shift as defined in the original committee amendment is phased in 50% for 1979, 70% for 1980 and 90% for 1981. At the same time a claiming municipality is given the option of electing reimbursement under the 1978 formula, 90% of it in 1979, 70% in 1980 and 50% in 1981. Should funding not be available from the General Fund for reimbursement this amendment directs the Legislature to seek alternative tax sources. Funding is increased in the first year of the biennium and eliminated in the 2nd.

Filed by Mrs. Post of Owls Head
Reproduced and distributed under the direction of the
Clerk of the House
6/7/79 (Filing No. H-689)