

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 1324

S. P. 468

In Senate, March 17, 1981

Referred to the Committee on Taxation. Sent down for concurrence and ordered printed.

MAY M. ROSS, Secretary of the Senate

Presented by Senator Wood of York.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Establish a Limit on County Government Taxation.

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

Sec. 1. 30 MRSA § 252, 2nd ¶, as amended by PL 1977, c. 148, § 2, is further amended by adding at the end a new sentence to read:

The estimates shall, when applicable, include a certification of intent under section 252-A.

Sec. 2. 30 MRSA § 252, 4th ¶, first sentence, as enacted by PL 1977, c. 148, § 3, is amended to read:

The county commissioners shall hold a public hearing in the county on these estimates prior to ~~December 1st~~ **November 20th**.

Sec. 3. 30 MRSA § 252, next to the last ¶, as repealed and replaced by PL 1967, c. 541, § 1, is repealed and the following enacted in its place:

There is established a contingency account in each county in an amount not to exceed 5% of the amount raised by taxation in the previous year. Such funds as are available to each county may be used for this purpose. This fund may be used for emergency purposes only. At least 10 business days prior to any proposed transfer from the contingency account, the commissioners shall give notice of the transfer, in writing, to the members of the legislative delegation. If a delegation by majority vote of its members disapproves the transfer they shall notify the commissioners within 10 business days and the transfer may not be made.

Sec. 4. 30 MRSA § 252-A is enacted to read:

§ 252-A. Increase in tax levy

1. Determination. When preparing their estimates under section 252, the commissioners shall determine whether any percentage increase over the previous fiscal year in the amount required to be raised by taxation, but not including any amount required to restore the contingency account, exceeds any percentage increase in state valuation of taxable property within the county, over the same period, as determined by the Bureau of Taxation under Title 36.

2. Certification. If the commissioners determine that the estimated tax increase will exceed the valuation increase, they shall certify that fact and the intention to request the increase and include the certification with the estimates under section 252.

3. Referendum. Upon a certification of intention under subsection 2, the commissioners shall call a special county election, to be held on the 2nd Tuesday in December. At the election, the legal voters of the county shall indicate their approval or disapproval of the certification of intention by voting on the following question:

“Shall commissioners of _____ County be authorized
(name of county)
to submit estimates to the Legislature for the county budget which requests an increase over the previous fiscal year in the amount to be raised by taxation of _____%, for the purpose of _____?
(indicate percentage of increase) (need for additional tax)
Yes_____ No_____”

If the voters indicate their approval the commissioners may submit the estimates. If the voters indicate their disapproval the commissioners shall revise the estimates so that any percentage increase in taxation does not exceed any percentage increase in valuation as determined under subsection 1, and submit estimates on approved forms to the Secretary of State, municipal officers and members of the legislative delegation no later than 20 business days after certification of the results of the election.

4. Decrease in valuation. When preparing their estimate under section 252, if the commissioners determine that there has been a decrease in state valuation of taxable property within the county from the previous fiscal year, the amount to be raised by taxation shall be decreased proportionately, or the estimate prepared shall be subject to this section.

STATEMENT OF FACT

This bill provides for a method of local voter control over proposed tax increase requests of county commissioners. If the commissioners request an increase in taxes over the previous fiscal year that exceed, as a percentage, the percentage

increased in state valuation of taxable property within the county, the commissionners would have to have voter approval before sending their estimates to the Legislature. The bill would also provide the county legislative delegation with veto power over transfers from the county contingency account.