

MAINE STATE LEGISLATURE

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(EMERGENCY)
FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 1354

H.P. 1007 House of Representatives, April 27, 1987
Submitted by the Department of Conservation pursuant to
Joint Rule 24.

Reference to the Committee on Taxation suggested and
ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative DEXTER of Kingfield.

Cosponsored by Representatives RIDLEY of Shapleigh, MILLS
of Bethel, and Senator LUDWIG of Aroostook.

STATE OF MAINE

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

1 AN ACT to Improve the Method of Calculating
2 Excise Taxes in Fire Control.
3

4 Emergency preamble. Whereas, Acts of the Legis-
5 lature do not become effective until 90 days after
6 adjournment unless enacted as emergencies; and

7 Whereas, the present law regarding the Forestry
8 Excise Tax requires certification to the State Tax
9 Assessor by September 1, 1987, the cost of forest
10 fire protection activities; and

11 Whereas, this statutory change proposes to change
12 the method of calculating the cost of forest fire
13 protection; and

14 Whereas, this change will need to take effect on
15 September 1, 1987; and

1 Whereas, in the judgment of the Legislature,
2 these facts create an emergency within the meaning of
3 the Constitution of Maine and require the following
4 legislation as immediately necessary for the preser-
5 vation of the public peace, health and safety; now,
6 therefore,

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

9 **Sec. 1.** 36 MRSA §2723, as enacted by PL 1985, c.
10 514, §2, is repealed.

11 **Sec. 2.** 36 MRSA §2723-A is enacted to read:

12 §2723-A. Computation of tax

13 1. Calculation of fire control net costs. Annu-
14 ally by September 1 beginning in 1987, the Commis-
15 sioner of Conservation shall certify to the State Tax
16 Assessor the amount appropriated from the General
17 Fund by the Legislature for the current fiscal year,
18 including funds appropriated or allocated for capital
19 improvements and repairs and the amounts proposed and
20 budgeted to be spent in any federal and dedicated ac-
21 counts for forest fire protection activities in the
22 same fiscal year. The commissioner shall certify the
23 amounts of all projected revenues resulting from for-
24 est fire protection activities for the same fiscal
25 year, including federal revenues and dedicated reve-
26 nuces from the sale of buildings, vehicles and other
27 equipment; fees and other miscellaneous revenues; and
28 revenues estimated to be received from municipalities
29 and the unorganized territory pursuant to Title 12,
30 sections 9204, 9205 and 9205-A.

31 2. Preceding fiscal year net costs. The commis-
32 sioner shall certify to the State Tax Assessor actual
33 expenditures and revenues for forest fire protection
34 for the preceding fiscal year for the same categories
35 of information required in subsection 1 and provide
36 the net amount resulting from subtracting revenues
37 from expenditures.

38 3. Roll forward amount from preceding fiscal
39 year. The State Tax Assessor shall subtract the

1 amount in subsection 2 from the amount determined for
2 the preceding fiscal year under subsection 4. If
3 the resulting amount is positive, it shall be treated
4 as a revenue and deducted from current year estimated
5 expenditures. If the amount is negative, it shall be
6 treated as an expenditure and added to current year
7 estimated expenditures.

8 4. Computing current year costs. The State Tax
9 Assessor shall add all projected expenditures for the
10 current fiscal year, including general, federal and
11 dedicated funds. From this amount shall be sub-
12 tracted all revenues projected to be received in the
13 current fiscal year, as identified in accordance with
14 subsection 1. From this amount shall be added or
15 subtracted, as appropriate, the net roll forward
16 amount from the prior fiscal year as determined in
17 subsection 3.

18 5. Computing the tax. This amount shall be di-
19 vided by 2 and the quotient divided by the total num-
20 ber of adjusted acres of commercial forest land,
21 rounded to the nearest 1/10 of a cent and multiplied
22 by the number of adjusted acres of commercial forest
23 land owned by each taxpayer to determine the amount
24 of tax for which each owner of commercial forest land
25 shall be liable.

26 6. Minimum tax. If the amount calculated under
27 this chapter is less than \$5, the amount assessed
28 shall be \$5.

29 Emergency clause. In view of the emergency cited
30 in the preamble, this Act shall take effect when ap-
31 proved.

1 STATEMENT OF FACT

2 The enactment of the Maine Revised Statutes, Ti-
3 tle 36, section 2723-A, of the commercial Forestry
4 Excise Tax assures more accurate calculation of the
5 cost of forest fire control for purposes of establish-
6 ing the tax.

7 It would do this by providing for a roll forward
8 adjustment from the prior fiscal year. If the net
9 cost of fire control is actually less than originally
10 estimated for the prior fiscal year, the difference
11 will be reflected as a resource for purposes of cal-
12 culating the following year's tax. Conversely, if
13 the actual net cost is higher than originally esti-
14 mated in the prior fiscal year, the difference will
15 be reflected as an additional expense for the follow-
16 ing year.

17 This type of roll forward adjustment is used for
18 other kinds of taxes, such as the Budworm Excise Tax
19 and the Unorganized Territory Tax.

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