

MAINE STATE LEGISLATURE

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(Emergency)
FOURTH SPECIAL SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 2704

S.P. 1043 In Senate, November 28, 1988
Approved for Introduction by a Majority of the Legislative
Council pursuant to Joint Rule 26.
Reference to the Committee on Appropriations and Financial
Affairs suggested and ordered printed.
JOY J. O'BRIEN, Secretary of the Senate

Presented by Senator KANY of Kennebec.
Cosponsored by Representative GWADOSKY of Fairfield.

STATE OF MAINE

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

1 AN ACT to Increase State Municipal Revenue
2 Sharing.
3

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

7 Whereas, this legislation must be enacted as an
8 emergency measure in order that the relief to
9 municipalities provided in this legislation may begin
10 with the new calendar year of 1989; and

1 Title 30, section 5055, subsection 5, as amended in
2 this Part is repealed March 1, 1989.

3 PART B

4 Sec. 1. 30-A MRSA §5681, sub-§5, as enacted by
5 PL 1987, c. 737, Pt. A, §2 and Pt. C, §106, is amended
6 to read:

7 5. Treasurer of State. An amount equal to 5.1%
8 of the receipts from the taxes imposed under Title 36,
9 Parts 3 and 8, and credited to the General Fund, plus
10 an amount equal to \$237,000 of the receipts from the
11 tax imposed under Title 36, Part 3, shall be
12 transferred by the Treasurer of State to the Local
13 Government Fund on the first day of each month.

14 Beginning January 1, 1989, an amount equal to 5.6% of
15 the receipts from the taxes imposed under Title 36,
16 Parts 3 and 8, and credited to the General Fund, plus
17 an amount equal to \$237,000 of the receipts from the
18 tax imposed under Title 36, Part 3, shall be
19 transferred by the Treasurer of State to the Local
20 Government Fund on the first day of each month.

21 Beginning July 1, 1989, an amount equal to 6.0% of the
22 receipts from the taxes imposed under Title 36, Parts
23 3 and 8, and credited to the General Fund, plus an
24 amount equal to \$237,000 of the receipts from the tax
25 imposed under Title 36, Part 3, shall be transferred
26 by the Treasurer of State to the Local Government Fund
27 on the first day of each month.

28 The Treasurer of State shall distribute the balance in
29 the Local Government Fund on the 20th day of each
30 month.

31 Sec. 2. Effective date. This Part shall take
32 effect March 1, 1989.

33 Emergency clause. In view of the emergency
34 cited in the preamble, this Act shall take effect when
35 approved.

1 FISCAL NOTE

2 Enactment of this bill will result in a decrease
3 in available General Fund revenues of approximately
4 \$2,800,000 in state fiscal year 1988-89. This is the
5 amount of sales and income tax revenues that will go
6 toward municipal revenue-sharing if the percentage
7 increases from 5.1% to 5.6% effective January 1, 1989.

8 To increase municipal revenue-sharing to 6.0% of
9 sales and income tax revenues in state fiscal year
10 1989-90 will decrease available General Fund revenues
11 by approximately \$9,800,000. This fiscal year 1990
12 estimate is based on fiscal year 1989 General Fund
13 budgeted revenue data.

14 STATEMENT OF FACT

15 The purpose of this bill is to increase the
16 percentage of funds transferred into the Local
17 Government Fund in 2 stages, the first increase on
18 January 1, 1989 and the 2nd on July 1, 1989.

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