

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
114TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 371, L.D. 502, Bill, "An Act to Increase the Recording Fees for Services Rendered by the County Offices of Registry of Deeds"

Amend the bill by striking out the title and inserting in its place the following:

'An Act to Provide Property Tax Relief by Allowing Counties to Retain a Greater Portion of Real Estate Transfer Tax Receipts'

Further amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'Sec. 1. 30-A MRSA §925 is enacted to read:

§925. Use of real estate transfer tax funds

The county treasurer shall monthly place all money received by the county under Title 36, section 4641-B, in a special interest-bearing account separate from all other county funds. The county may not expend this money during the fiscal year in which it is deposited in the account or use it for any purpose other than as provided in this section. When the county budget for the following year is finally adopted as provided in subchapter I, the county shall use all money deposited in the real estate transfer tax account during the previous fiscal year to reduce the tax levy in the current fiscal year.

Sec. 2. 36 MRSA §4641-B, 5th ¶, as amended by PL 1983, c. 859, Pt. M, §10, is further amended to read:

Each register of deeds shall, on or before the 10th day of each month, pay over to the State Tax Assessor 90% 50% of the tax collected during the previous month. The remaining 10% 50% shall be retained for the county by the register of deeds and accounted for to the county treasurer as reimbursement for services

1 rendered by the county in collecting the tax. The register of  
2 deeds shall pay that portion of the tax retained under this  
3 section to the county treasurer monthly. The county treasurer  
4 shall deposit this money in the account required to be  
5 established under Title 30-A, section 925.

7 Sec. 3. 36 MRSA §4641-B, last ¶, as amended by PL 1987, c. 737,  
8 Pt. C, §§83 and 106, is repealed and the following enacted in its  
9 place:

11 The State Tax Assessor shall pay all net receipts to the  
12 Treasurer of State, who shall credit the revenue to the General  
13 Fund and who shall monthly pay 90% of the revenue received to the  
14 Maine State Housing Authority, which shall deposit the funds in  
15 the Housing Opportunities for Maine Fund created in Title 30-A,  
16 section 4853.

17 Sec. 4. Effective date. This Act shall take effect on December  
18 1, 1989.

#### 21 FISCAL NOTE

23 If enacted, this bill would result in a loss of revenue to  
24 the General Fund of \$3,983,143 in fiscal year 1989-90 and  
25 \$7,170,089 in fiscal year 1990-91.'

#### 29 STATEMENT OF FACT

31 This amendment completely replaces the bill and makes the  
32 following changes.

35 1. The amendment deletes that portion of the bill that  
36 increased the recording fees for the registry of deeds.

37 2. The amendment requires counties to use all money  
38 retained from the real estate transfer tax to reduce the tax levy  
39 in the ensuing fiscal year. The county treasurer will place this  
40 money in a special interest-bearing account during the year in  
41 which it is collected. The county may not spend this money or  
42 use it for any purpose other than to reduce the tax levy in the  
43 following year.

45 3. The amendment provides that 90% of the money received by  
46 the State from the collection of real estate transfer taxes is  
47 paid into the Housing Opportunities for Maine Fund, rather than  
48 95% as provided in the bill. This preserves the level of funding  
49 provided to that fund under current law.

COMMITTEE AMENDMENT "A" to H.P. 371, L.D. 502

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4. The amendment adds a delayed effective date of December 1, 1989 to the bill to ensure a smooth transition under the new system.

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5. Finally, the amendment adds a fiscal note to the bill.

Reported by the Committee on State and Local Government  
Reproduced and distributed under the direction of the Clerk of the  
House  
5/19/89

(Filing No. H-248)