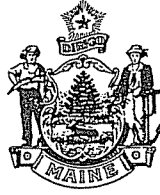


# MAINE STATE LEGISLATURE

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# 114th MAINE LEGISLATURE

## FIRST REGULAR SESSION - 1989

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Legislative Document

No. 805

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S.P. 306

In Senate, March 16, 1989

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator ANDREWS of Cumberland.

Cosponsored by Representative CASHMAN of Old Town, President PRAY of Penobscot and Speaker MARTIN of Eagle Lake.

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### STATE OF MAINE

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

---

**An Act to Create the Individual Income Tax Windfall Fund.**

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(EMERGENCY)  
(After Deadline)



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

5           Whereas, the 90-day period may not terminate until after  
the beginning of the next fiscal year; and

7           Whereas, overcollections of individual income taxes have  
9 occurred and will continue to occur on a monthly basis; and

11           Whereas, the Legislature wishes to mitigate the impact of  
these overcollections by segregating them from other General Fund  
13 revenue, reviewing and analyzing the reasons for the  
overcollections continued occurrence and developing plans for  
15 their ultimate return to the people of Maine; and

17           Whereas, in the judgment of the Legislature, these facts  
create an emergency within the meaning of the Constitution of  
19 Maine and require the following legislation as immediately  
necessary for the preservation of the public peace, health and  
21 safety; now, therefore,

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

25           **5 MRSA §1516 is enacted to read:**

27 **§1516. Individual Income Tax Windfall Fund**

29           1. Individual Income Tax Windfall Fund established. There  
is established the Individual Income Tax Windfall Fund which  
31 shall be maintained for the sole purpose of mitigating the impact  
of overcollections of individual income taxes by the State.

33           2. Transfers to fund. Notwithstanding any other provision  
of law, the State Controller shall transfer to the Individual  
35 Income Tax Windfall Fund, on a month-by-month basis, that portion  
of actual undedicated General Fund revenues derived from  
37 individual income taxes that exceed the official revenue estimate  
for that month. For purposes of this section, the "official  
39 revenue estimate" is the one provided by the State Budget Officer  
41 in a monthly chart last revised on February 2, 1989.

43           3. Initial transfer. The initial transfer of funds by the  
State Controller into the Individual Income Tax Windfall Fund  
45 shall be the amount of actual excess individual income tax  
collections for the month of January 1989, less the amount  
47 necessary to balance actual year-to-date individual income tax  
collections with the official year-to-date revenue estimate for  
49 the 7 months which ended January 31, 1989.

