

MAINE STATE LEGISLATURE

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R. of S.

L.D. 274

(Filing No. S-13)

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STATE OF MAINE
SENATE
115TH LEGISLATURE
FIRST REGULAR SESSION

SENATE AMENDMENT " E " to H.P. 192, L.D. 274, Bill, "An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government for the Fiscal Year Ending June 30, 1991 and to Change Certain Provisions of the Law"

Amend the bill by striking out all of Part EE and inserting in its place the following:

PART EE

Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Part.

1990-91

FINANCE, DEPARTMENT OF

Maine Rainy Day Fund

Unallocated \$23,500,000

Provides funds as a result of a deappropriation in general purpose aid for local schools to carry out the purposes of the Maine Revised Statutes, Title 5, section 1513, subsection 1. These funds must be available during fiscal year 1991-92 and fiscal year 1992-93.'

Further amend the bill by inserting before the emergency clause a new Part to read:

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PART GG

Sec. GG-1. 36 MRSA §457, as amended by PL 1987, c.769, Pt. A, §150, is repealed and the following enacted in its place:

§457. State tax on telecommunications personal property

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Telecommunications business" means a person engaged in the activity of providing interactive 2-way communication services for compensation.

B. "Telecommunications personal property" means personal property used for the transmission of any interactive 2-way communications, including voice, image, data and information. Transmission of communications includes the use of any medium such as wires, cables, community antenna television or other broad band cables, microwaves, radio waves, light waves or any combination of those of similar media. Telecommunications personal property includes qualifying property used to provide telegraph service. Telecommunications personal property does not include property used solely to provide value-added nonvoice services in which computer processing applications are used to act on the form, content, code and protocol of the information to be transmitted, unless those services are provided under tariff approved by the Public Utilities Commission. Telecommunications personal property does not include single or multiline standard telephone instruments. Notwithstanding section 551, "telecommunications personal property" includes any interest of a telecommunications business in poles.

2. Tax imposed. A state tax is imposed on telecommunications personal property.

3. Determination of just value. The state tax is imposed upon the just value and ownership of the property as of April 1st of the taxable year.

4. Assessment. The State Tax Assessor shall assess a tax on telecommunications personal property owned or leased by a telecommunications business. Telecommunications personal property owned or leased by a person who is not a telecommunications business must be assessed a tax by the municipal assessor in the municipality in which the property is located on April 1st of the taxable year.

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5. Assessment procedure. The tax on telecommunications personal property of a telecommunications business is assessed in accord with the following.

A. Beginning in January 1992, an annual assessment must be made in June of that year and is payable in 2 equal payments in the following October and May.

B. In June 1991, an annual assessment must be made and is payable in full in October 1991.

C. An additional assessment must be made in June 1991, so as to transition the tax imposed by this section to a fiscal year basis and is payable in full in May 1992.

6. Amount of assessment. The amount of assessment is as follows.

A. For all assessment made pursuant to subsection 5, paragraphs A and B, the amount of assessment must be equal to 27 mills multiplied by the previous April 1st just value of taxable property.

B. For all assessment made pursuant to subsection 5, paragraph C, the amount of assessment must be equal to 13.5 mills multiplied by the previous April 1st just value of taxable property.

C. The tax assessed by municipal assessors is at the rate of 27 mills for each taxable year. The date of assessment must be consistent with other property subject to property taxation by the municipality.

7. Collection. Taxes assessed by the State Tax Assessor must be enforced as generally provided by this Title. Taxes assessed by municipal assessors must be enforced as other locally assessed personal property taxes.

Sec. GG-2. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Part.

1990-91

FINANCE, DEPARTMENT OF

Salary Plan

Personal Services (\$5,500,000)

Provides for the deappropriation of funds

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SENATE AMENDMENT "E" to H.P. 192, L.D. 274

2 available as a result of delaying certain
3 payroll expenses until fiscal year 1992.

4 DEPARTMENT OF FINANCE
5 TOTAL

(\$5,500,000)'

6 Further amend the bill by relettering the Parts to read
7 consecutively.

10 FISCAL NOTE

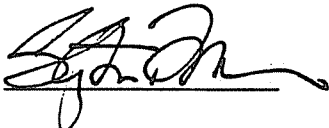
12 This amendment has the following effect on:

	1990-91
14 Appropriations/Allocations	
15 General Fund	\$12,000,000
16 Revenues	
17 General Fund	\$12,000,000

18 This amendment increases the appropriation to the Maine
19 Rainy Day Fund by \$17,500,000. The additional appropriation is
20 offset by a (\$5,500,000) deappropriation from the salary plan and
21 \$12,000,000 in additional General Fund revenue from the
22 telecommunication personal property tax.

24 STATEMENT OF FACT

25 This amendment increases the amount appropriated to the
26 Maine Rainy Day Fund to restore the fund to the current statutory
27 maximum amount of \$25,000,000. These funds remain available for
28 the 1992-93 biennium. To offset this additional cost, this
29 amendment also adjusts the state tax on telecommunications
30 personal property and deappropriates \$5,500,000 from the salary
31 plan leaving approximately \$3,000,000 in the plan available for
32 costs related to collective bargaining.

34 (Senator BOST)
35 SPONSORED BY: 

36 COUNTY: Penobscot

38 Reproduced and Distributed Pursuant to Senate Rule 12.
39 (2/8/91) (Filing No. S-13)