

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1991

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Legislative Document

No. 1050

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H.P. 746

House of Representatives, March 12, 1991

Received by the Clerk of the House on March 8, 1991. Referred to the Committee on Taxation and 1400 ordered printed pursuant to Joint Rule 14.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative CASHMAN of Old Town.  
Cosponsored by Representative BUTLAND of Cumberland.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY-ONE

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**An Act to Authorize a Regional Tax.**

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

4 36 MRSA Pt. 3-A is enacted to read:

6 PART 3-A

8 REGIONAL TAX

10 CHAPTER 251

12 REGIONALLY LEVIED TAX

14 §2201. Regionally levied tax option in a county

16 1. Regionally levied tax option authorized. A regionally levied tax option is authorized to:

18 A. Alleviate the problem of financing municipal services caused by the burden on municipal property tax; and

20 B. Stabilize the municipal property tax burden and aid in financing municipal services by broadening the municipal tax base by taking advantage of regional resources.

24 2. Vote required. A regionally levied tax option must be adopted by election as provided in this chapter.

28 3. Amount of tax. A regionally levied tax option adopted under this chapter is an additional 1% of the sales price on all sales subject to the tax under Part 3.

32 4. Application. For the purposes of this chapter, the municipal assessors of a plantation are considered municipal officers of the plantation and the county commissioners are considered the municipal officers for the unorganized territory within their county.

36 §2202. Regionally levied tax option election

38 1. Petition by voters or municipal officers. A regionally levied tax option election may be called by the filing of a petition by the voters of a county or the municipal officers of municipalities in the county as follows:

40 A. The voters in a county may petition the county commissioners for a regionally levied tax election. A petition for a regionally levied tax election must be signed by a number of voters equal to at least 15% of the number of votes cast in that county in the last gubernatorial election. All petition signatures must have been signed in the previous 2 years. The petition must be addressed to the county commissioners and delivered to them at least 42 days

2           before holding any primary, special statewide, general or  
3           county election; or

4           B. The municipal officers in municipalities whose combined  
5           population is 60% of the county's population as determined  
6           by the most recent Federal Decennial Census may petition the  
7           county commissioners for a regionally levied tax option  
8           election. A majority of the municipal officers in a  
9           municipality must sign a petition before that municipality's  
10           population may be included. The municipal officers in the  
11           county may sign a single petition or each municipality may  
12           submit its own petition, as long as all petition signatures  
13           have been signed in the previous 2 years. The petition must  
14           be addressed to the county commissioners and delivered to  
15           them at least 42 days before holding any primary, special  
16           statewide, general or county election.

17           2. Meeting. Upon receipt of a petition, the county  
18           commissioners shall notify the municipal officers in each  
19           municipality within the county and require them to notify the  
20           inhabitants of their respective municipalities to meet in the  
21           manner prescribed by law to vote on the regionally levied tax  
22           question. The county commissioners shall state the time for  
23           opening and closing the polls, which must be the same in each  
24           municipality, and set the date for the election. The county  
25           commissioners shall prepare the election material and all ballots  
26           for the election and provide them to the municipal clerk.

27           3. Referendum question. The election must be held to vote  
28           on the following question and no other question may be printed on  
29           the ballot.

30           "Shall the state sales and use tax be increased in this county by  
31           1% over the amount levied by the State and the proceeds  
32           distributed as follows:

33           A. Thirty-five percent to the municipality in which the tax  
34           is collected;

35           B. Forty percent to the municipalities within the county,  
36           pursuant to the municipal revenue sharing formula in the  
37           Maine Revised Statutes, Title 30-A, section 5681; and

38           C. Twenty-five percent to the municipalities in all  
39           counties that have adopted the 1% regional tax increase,  
40           pursuant to the municipal revenue sharing formula in the  
41           Maine Revised Statutes, Title 30-A, section 5681?"

42           4. Conduct of election. Except as provided in this  
43           section, the petition process and the voting at elections held in  
44           towns and plantations must be held and conducted in accordance  
45           with Title 30-A, sections 2528, 2529 and 2532, even if the town  
46           with Title 30-A, sections 2528, 2529 and 2532, even if the town  
47           with Title 30-A, sections 2528, 2529 and 2532, even if the town  
48           with Title 30-A, sections 2528, 2529 and 2532, even if the town  
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51           with Title 30-A, sections 2528, 2529 and 2532, even if the town  
52           with Title 30-A, sections 2528, 2529 and 2532, even if the town

2 or plantation has not accepted the provisions of section 2528.  
3 The voting at elections held in cities must be held and conducted  
4 in accordance with Title 21-A. The municipal clerk shall make a  
5 return of the results, certify the results and send them to the  
6 county commissioners who shall certify the results and send them  
7 to the Secretary of State. The Secretary of State shall forward  
8 the results to the State Tax Assessor and the Treasurer of State.

10 §2203. Implementation of tax

12 1. Affirmative vote. If the results of an election held  
13 under section 2202 show that a majority of the votes cast in a  
14 county are in the affirmative, the Secretary of State, after  
15 receiving written notification from the county commissioners,  
16 shall notify the Treasurer of State and the State Tax Assessor.  
17 The State Tax Assessor shall collect the tax in the same manner  
18 and with the same powers provided in Part 3.

20 2. Effective date. Retailers shall begin collecting the  
21 tax on the first day of the 2nd month following the certification  
22 of the vote to the Secretary of State.

24 3. Fund. The Regionally Levied Tax Fund is established as  
25 a separate account. The Treasurer of State shall deposit all  
26 revenues received under this chapter in that fund.

28 4. Distribution of revenue. Beginning in the 10th month  
29 after certification of the vote to the Secretary of State, the  
30 Treasurer of State shall make distributions from the fund on the  
31 first day of each month as follows.

32 A. Thirty-five percent of the amount attributable to each  
33 municipality must be distributed to the municipality in  
34 which the tax is collected.

36 B. Forty percent of the amount attributable to each  
37 municipality must be distributed among the municipalities in  
38 the county in which the municipality is located, pursuant to  
39 the municipal revenue sharing formula in Title 30-A, section  
40 5681.

42 C. Twenty-five percent of the amount attributable to each  
43 municipality must be distributed among the municipalities in  
44 all counties that have adopted a regionally levied tax  
45 option, pursuant to the municipal revenue sharing formula in  
46 Title 30-A, section 5681.

48 5. Costs of administration. The State Tax Assessor, the  
49 Treasurer of State and any other state agency that incurs a cost  
50 as a result of this chapter shall be reimbursed from the proceeds  
51 raised by the regionally levied tax before any distributions to  
52 municipalities are made.

