

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
115TH LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "F" to H.P. 1379, L.D. 1967, Bill, "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 1991, June 30, 1992 and June 30, 1993"

Amend the bill by striking out all of Part PPP.

Further amend the bill by adding at the end before the emergency clause the following:

PART QQQ

Sec. QQQ-1. 36 MRS A §2521-A, first ¶, as amended by PL 1989, c. 702, Pt. E, §13, is further amended to read:

Every insurance company, association or attorney-in-fact of a reciprocal insurer subject to tax as imposed by this chapter shall on or before the last day of each April, June and October file with the State Tax Assessor on forms prescribed by the State Tax Assessor a return for the quarter ending the last day of the preceding month, except for the month of June, which is for the quarter ending June 30th. These returns may be on an estimated basis, provided that each April and June installment equals at least ~~25%~~ 35% of the total tax paid for the preceding calendar year or ~~25%~~ 35% of the total tax to be paid for the current calendar year. The remaining installments must equal 15% of the total tax to be paid for the preceding calendar year or 15% of the total tax to be paid for the current year. An authorized company official shall affirm which elective is selected. Such elective ~~cannot~~ can not be changed during the current calendar year. The final return must be filed on or before March 15th covering the prior calendar year.

Sec. QQQ-2. 36 MRS A §2521-A, 4th ¶ is enacted to read:

This section is repealed January 1, 1994.

2 **Sec. QQQ-3. 36 MRSa §2521-B is enacted to read:**

4 **§2521-B. Returns; payment of tax**

6 Every insurance company, association or attorney-in-fact of
8 a reciprocal insurer subject to tax as imposed by this chapter
10 shall on or before the last day of each April, June and October
12 file with the State Tax Assessor on forms prescribed by the State
14 Tax Assessor a return for the quarter ending the last day of the
16 preceding month, except for the month of June, which is for the
18 quarter ending June 30th. These returns may be on an estimated
20 basis, provided that each installment equals at least 25% of the
22 total tax paid for the preceding calendar year or 25% of the
24 total tax to be paid for the current calendar year. An
26 authorized company official shall affirm which elective is
28 selected. Such elective can not be changed during the current
30 calendar year. The final return must be filed on or before March
32 15th covering the prior calendar year.

34 At the time of filing such returns, each insurance company,
36 association or attorney-in-fact of a reciprocal insurer shall pay
38 to the State Tax Assessor the amount of tax shown due.

40 Insurance companies, associations or attorneys-in-fact of a
42 reciprocal insurer with annual tax liability not exceeding \$500
44 may with approval of the State Tax Assessor file an annual return
46 with payment on the last day of January each year covering the
48 prior calendar year.

50 **Sec. QQQ-4. Effective date; statutory.** That section of this
52 Part that enacts the Maine Revised Statutes, Title 36, section
54 2521-B takes effect January 1, 1994.

56 **Sec. QQQ-5. Effective date; part.** This Part takes effect
58 January 1, 1992.

60 **PART RRR**

62 **Sec. RRR-1. Calculation and transfer.** Notwithstanding the
64 Maine Revised Statutes, Title 5, section 1585, the State Budget
66 Officer shall calculate the amount in section 3 of this Part that
68 applies against each General Fund account for all departments and
70 agencies based on the total appropriations to those accounts.
The State Budget Officer shall cause the calculated amount to be
transferred from each account.

72 **Sec. RRR-2. Program or service eliminations.** In implementing
74 sections 1 and 3 of this Part, the heads of all

2 departments and agencies in State Government, along with the
State Budget Officer, shall take all necessary precautions to
4 ensure that no program or service otherwise authorized by the
Legislature is eliminated in fiscal year 1991-92 or in fiscal
6 year 1992-93 as a result of this Part.

8 **Sec. RRR-3. Appropriation.** The following funds are
appropriated from the General Fund to carry out the purposes of
this Act.

10 **1991-92 1992-93**

12 **FINANCE, DEPARTMENT OF**

14 **Departments and Agencies - Statewide**

16 All Other (\$12,000,000) (\$12,000,000)

18 Provides for the
20 deappropriation of funds by
an across-the-board reduction
22 of approximately 0.8% in
fiscal year 1991-92 and 0.75%
24 in fiscal year 1992-93 except
for the General Fund account
26 listed in section 1 of this
Part.'

28 Further amend the bill by relettering the parts to read
30 consecutively.

32 **FISCAL NOTE**

34 This amendment offsets the loss of approximately \$32,000,000
36 in net General Fund revenue that would have accrued to the State
from video lotteries with a change in the quarterly payments of
38 the insurance company tax (\$8,000,000 in General Fund revenue in
fiscal year 1991-92) and the across-the-board reductions of
40 \$12,000,000 in each fiscal year from every General Fund program
except the Debt Service Account.

42 **STATEMENT OF FACT**

44 This amendment strikes all references to the video lottery
proposal. To compensate for the loss of budgeted revenue, a

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2 change in quarterly payments would be implemented for the
insurance company tax and an across-the-board reduction of
approximately 8/10 of 1% each fiscal year would be implemented.

4

Filed by Rep. Chonko of Topsham

Reproduced and distributed under the direction of the Clerk of the
House

(7/5/91)

(Filing No. H-747)