

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

Legislative Document

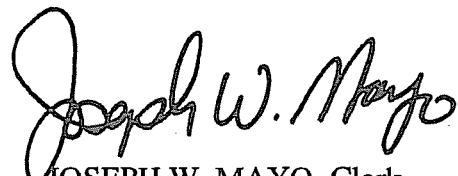
No. 1057

H.P. 784

House of Representatives, March 29, 1993

An Act to Amend the Distribution of State-municipal Revenue Sharing.

Reference to the Committee on Taxation suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative PLOURDE of Biddeford.
Cosponsored by Representatives: ADAMS of Portland, CARON of Biddeford, DiPIETRO of South Portland, HUSSEY of Milo, KERR of Old Orchard Beach, LORD of Waterboro, REED of Dexter, RUHLIN of Brewer, Senators: CONLEY of Cumberland, HARRIMAN of Cumberland.

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

4 Sec. 1. 30-A MRSA §5681, sub-§2, ¶C is enacted to read:

6 C. "State sales and use tax base" means the total sales and
8 use taxes generated within a municipality for the most
recently completed state fiscal year as determined by the
State Tax Assessor.

10 Sec. 2. 30-A MRSA §5681, sub-§4, as amended by PL 1989, c.
12 104, Pt. C, §§8 and 10, is further amended to read:

14 4. **Sharing the Local Government Fund.** Money credited to
16 the Local Government Fund shall must be distributed on the basis
18 of a formula which that provides a varying amount of per capita
20 revenue sharing aid to communities based upon the comparative tax
burden of each municipality. Those municipalities having a
greater property tax burden would receive a larger per capita
revenue-sharing distribution.

22 The Ninety percent of the portion of the Local Government Fund to
24 be distributed to each municipality shall must be in proportion
to the product of the population of the municipality multiplied
by the property tax burden of the municipality.

26 Ten percent of the portion of the Local Government Fund to be
28 distributed to each municipality must be distributed to each
30 municipality in proportion to the ratio between state sales and
use tax base of the municipality and the total state sales and
use tax base for all municipalities.

32 Sec. 3. 30-A MRSA §5681, sub-§5, as amended by PL 1991, c.
34 780, Pt. Q, §1, is further amended to read:

36 5. **Treasurer of State.** An amount equal to ~~5.1%~~ 5.5% of the
38 receipts from the taxes imposed under Title 36, Parts 3 and 8,
and credited to the General Fund must be transferred by the
Treasurer of State to the Local Government Fund on the first day
of each month beginning August 1, 1992.

40 The Treasurer of State shall distribute the balance in the Local
42 Government Fund on the 20th day of each month.

44 **STATEMENT OF FACT**

46 This bill increases state-municipal revenue sharing from
48 5.1% of sales and use taxes and income taxes to 5.5% and
distributes 10% of state-municipal revenue sharing to

2 municipalities based on each municipality's share of the total state sales and use taxes generated by all municipalities.