

# MAINE STATE LEGISLATURE

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L.D. 1973

DATE: 3/28/94

(Filing No. S- 545)

**TAXATION**

Reported by: **MINORITY**

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**STATE OF MAINE  
SENATE  
116TH LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 744, L.D. 1973, Bill, "An Act to Create an Income Tax Stabilization Program"

Amend the bill in section 1 in that part designated "~~§5111-B.~~" in subsection 4 in the 4th line (page 1, line 47 in L.D.) by striking out the following: "estimated"

Further amend the bill by inserting after section 1 the following:

'Sec. 2. Allocation. The following funds are allocated from Other Special Revenue to carry out the purposes of this Act.

**1994-95**

**ADMINISTRATION AND FINANCIAL SERVICES,  
DEPARTMENT OF**

**Revenue Targeting Fund**

All Other \$6,500,316

Provides allocations to pay individual income tax refunds resulting from the reduction of individual income tax rates.'

**COMMITTEE AMENDMENT**

R of S

2 Further amend the bill by inserting at the end before the  
statement of fact the following:

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**FISCAL NOTE**

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**1994-95**

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**APPROPRIATIONS/ALLOCATIONS**

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Other Funds \$6,500,316

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**REVENUES**

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General Fund (\$6,500,316)

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Other Funds 6,500,316

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On March 4, 1994, the State Budget Officer reprojected the "Individual Income Tax" line for fiscal year 1994-95 General Fund budgeted revenue from \$606,100,000 to \$612,600,316, an increase of \$6,500,316. The provisions of this bill will adjust individual income tax rates downward so as to cap fiscal year 1994-95 collections at \$606,100,000, resulting in a loss of General Fund revenue in fiscal year 1994-95 of \$6,500,316.

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Capping individual income tax revenues will reduce General Fund revenues in future fiscal years in amounts that can not be determined at this time. This bill includes an allocation of \$6,500,316 to a new Other Special Revenue account within the Bureau of Taxation, the Revenue Targeting Fund, from which income tax refunds will be paid in fiscal year 1994-95.'

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**STATEMENT OF FACT**

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This amendment makes a technical correction to conform to the Maine Revised Statutes, Title 36, section 1811, adds an allocation for the Revenue Targeting Fund and also adds a fiscal note to the bill.

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