

MAINE STATE LEGISLATURE

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R 9 9

L.D. 405

DATE: 4/25/95

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MINORITY
TAXATION

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
117TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 301, L.D. 405, Bill, "An Act to Return 1% of Sales Tax Revenue to the Communities in Which the Tax Was Collected"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'Sec. 1. 30-A MRSA §5684-A is enacted to read:

§5684-A. Local Government Fund Supplemental Pool

1. Local Government Fund Supplemental Pool; Treasurer of State. The Local Government Fund Supplemental Pool is created, effective July 1, 1997. An amount equal to 1% of the receipts from the taxes imposed under Title 36, Part 3 in excess of the amount by which the tax receipts paid under Title 36, Part 3 in fiscal year 1997-98 and in each fiscal year after 1998 exceed sales tax revenues collected in fiscal year 1994-95 must be deposited in the Local Government Fund Supplemental Pool. All funds deposited in the supplemental pool must be distributed to the municipality in which the sale takes place in the same proportion as revenues collected under Title 36, Part 3 from that municipality are to total revenues collected under Title 36, Part 3 from all municipalities.

The Treasurer of State shall distribute all funds in the supplemental pool by August 31st of each year, beginning August 31, 1998.'

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

COMMITTEE AMENDMENT

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FISCAL NOTE

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This bill will decrease General Fund revenue beginning in fiscal year 1997-98. The amount can not be determined at this time. The corresponding decrease in state-municipal revenue sharing also can not be determined at this time. These decreases of General Fund revenue and state-municipal revenue sharing will be set aside and increase dedicated revenue to the Local Government Fund Supplemental Pool for distribution back to municipalities.'

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STATEMENT OF FACT

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This amendment, which replaces the original bill, requires that 1% of the excess of sales tax receipts received in fiscal year 1997-98 and each fiscal year after 1998 over the amount received in fiscal year 1994-95 be paid to those municipalities in which the sales tax was generated. The amendment also adds a fiscal note to the bill.