

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 413

H.P. 309

House of Representatives, February 6, 1995

An Act to Enable Municipalities to Expand the Use of Tax Increment Financing.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative DORE of Auburn.

Cosponsored by Representatives: FITZPATRICK of Durham, GWADOSKY of Fairfield, KEANE of Old Town, KERR of Old Orchard Beach, MORRISON of Bangor, MURPHY of Berwick, POULIOT of Lewiston, TUTTLE of Sanford, Senators: BERUBE of Androscoggin, BUTLAND of Cumberland, CAREY of Kennebec, RAND of Cumberland.

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

Sec. 1. 30-A MRSA §5253, sub-§1, ¶¶B to D, as repealed and replaced by PL 1991, c. 431, §6, are amended to read:

B. The total area of a single development district may not exceed 2% 10% of the total acreage of the municipality. All development districts may not exceed 5% 25% of the total acreage of the municipality. The boundaries of a development district may be altered only after meeting the requirements for adoption under this subsection.

C. The aggregate value of equalized taxable property, as defined in Title 36, sections 208 and 305, of a tax increment financing district determined as of the April 1st preceding the date the designation of the district becomes effective, plus all existing tax increment financing districts determined as of the April 1st preceding the date the designation of each such district became effective, may not exceed 5% 25% of the total value of equalized taxable property within the municipality as of the April 1st preceding the date the designation of the development district becomes effective.

D. The aggregate value of indebtedness financed by the proceeds from tax increment financing districts within any county may not exceed \$50,000,000 \$250,000,000.

STATEMENT OF FACT

This bill provides municipalities with added flexibility to use tax increment financing in undertaking local economic development projects by expanding the area and valuation that can be included in a district.