

# 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)



# 118th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1997

---

Legislative Document

No. 202

---

H.P. 160

House of Representatives, January 16, 1997

**Resolve, to Establish the Commission on Comprehensive Tax Reform.**

---

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 LEMAIRE of Lewiston.  
Cosponsored by Senator LaFOUNTAIN of York and  
Representatives: FARNSWORTH of Portland, KERR of Old Orchard Beach, POVICH of  
Ellsworth, SAXL of Bangor, Senators: CLEVELAND of Androscoggin, RAND of  
Cumberland, TREAT of Kennebec.

2           **Sec. 1. Commission established. Resolved:** That the Commission  
on Comprehensive Tax Reform, referred to in this resolve as the  
"commission," is established; and be it further

4  
6           **Sec. 2. Commission membership. Resolved:** That the commission  
consists of the following 8 members: one Senator appointed by  
the President of the Senate; one member of the House of  
8 Representatives appointed by the Speaker of the House of  
Representatives; the State Tax Assessor or the assessor's  
10 designee; the State Auditor or the auditor's designee; one  
representative from the Maine Municipal Association; one  
12 representative from the Maine Chamber of Commerce and Industry;  
one representative from the Maine School Management Association;  
14 and one representative from the Maine Economic Growth Council;  
and be it further

16  
18           **Sec. 3. Appointments; meetings. Resolved:** That all  
appointments must be made no later than 30 days following the  
effective date of this resolve. The Executive Director of the  
20 Legislative Council must be notified by all appointing  
authorities once the selections have been made. The Chair of the  
22 Legislative Council shall call the first meeting of the  
commission. The commission shall select a chair from its  
24 membership by 3/5 vote of the membership; and be it further

26           **Sec. 4. Duties. Resolved:** That the Chair of the Legislative  
Council or a designee, upon completion of all appointments, shall  
28 convene the commission. The commission shall undertake a study  
of the current taxation system and tax policies in the State and  
30 strive to establish a comprehensive tax reform package. As part  
of the study, the commission shall review:

32  
34           1. The current procedures raising revenue through taxation  
in the State and determine the progressive or regressive nature  
of the various taxes;

36           2. Inconsistencies in the current tax scheme, including  
38 inconsistent sales tax rates and inconsistent rates imposed on  
selected services with a goal of removing those inconsistencies;

40           3. Exemptions under the sales and use tax and income tax  
42 laws;

44           4. Revenue policy in other jurisdictions; and

46           5. Any anticipated restrictions on, and demands for,  
revenue that would be included in future budgets of the State,  
48 counties and municipalities; and be it further

2           **Sec. 5. Committees authorized. Resolved:** That, under the  
direction of the chair, the commission may form committees as  
4 necessary to perform its duties more effectively; and be it  
further

6           **Sec. 6. Report. Resolved:** That the commission shall submit  
its preliminary report to the Second Regular Session of the 118th  
8 Legislature by December 1, 1997. The commission shall submit its  
final report, including any necessary implementing legislation,  
10 to the Second Regular Session of the 118th Legislature and the  
Office of the Executive Director of the Legislative Council by  
12 January 30, 1998.

14           If the commission requires an extension, it may apply to the  
Legislative Council, which may grant the extension; and be it  
16 further

18           **Sec. 7. Staff assistance. Resolved:** That the commission may  
request staff assistance from the Legislative Council. The  
20 Bureau of Taxation shall provide general staffing assistance to  
the commission. The commission may contract for additional  
22 consulting assistance as necessary; and be it further

24           **Sec. 8. Reimbursement. Resolved:** That the members of the  
commission who are Legislators are entitled to the legislative  
26 per diem, as defined in the Maine Revised Statutes, Title 3,  
section 2, for days of attendance at commission meetings. All  
28 members of the commission who are not state employees are  
entitled to expenses, as defined in Title 5, section 12002, upon  
30 application to the Executive Director of the Legislative Council  
for those expenses.  
32

34  
**SUMMARY**

36           This resolve establishes the Commission on Comprehensive Tax  
38 Reform. The commission shall review the current taxation system  
and tax policies in the State and strive to establish a  
40 comprehensive tax reform package.