



118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 1514

H.P. 1077

House of Representatives, March 13, 1997

RESOLUTION, Proposing an Amendment to the Constitution to Require That All Income and Sales Tax Increases Be Approved by Referendum.

Reference to the Committee on Taxation suggested and ordered printed.

SEPH W. MAYO, Clerk

Presented by Representative CAMPBELL of Holden. Cosponsored by Representatives: BODWELL of Brunswick, DONNELLY of Presque Isle, LEMONT of Kittery, MacDOUGALL of North Berwick, MACK of Standish, PLOWMAN of Hampden, WHEELER of Bridgewater. **Constitutional amendment. Resolved:** Two thirds of each branch of the Legislature concurring, that the following amendment to the Constitution of Maine be proposed:

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Constitution, Art. IV, Part Third, §24 is enacted to read:

Section 24. Increases in income tax or sales tax subject to referendum; exception. An act or resolve that increases the rate of taxation under the income tax or the sales tax may not take effect unless approved by the voters at a statewide election in November called in the same manner as provided under Article X, Section 4. If it appears that a majority of the voters have approved the increase in the rate of taxation, the Governor shall immediately proclaim that approval, and the act or resolve takes effect 30 days after the proclamation.

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A referendum is not required under this section if the Treasurer of State certifies that there has been a decline in General Fund revenues of 20% or more in the previous fiscal year and the Legislature accepts that certification in a preamble to the act or resolve.

; and be it further

Constitutional referendum procedure; form of question; effective date. Resolved: That the municipal officers of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, at a statewide election, on the Tuesday following the first Monday of November following the passage of this resolution, to vote upon the ratification of the amendment proposed in this resolution by voting upon the following question:

"Do you favor amending the Constitution of Maine to require approval by the voters before an increase in the rate of the income tax or the sales tax takes effect unless state revenues have declined 20% or more in the previous fiscal year?"

40 The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a 42 cross or check mark placed within the corresponding square below the word "Yes" or "No." The ballots must be received, sorted, 44 counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as 46 votes for members of the Legislature. The Governor shall review the returns and, if it appears that a majority of the legal votes 48 are cast in favor of the amendment, the Governor shall proclaim that fact without delay and the amendment becomes part of the Constitution on the date of the proclamation; and be it further

Secretary of State shall prepare ballots. Resolved: That the Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this resolution necessary to carry out the purpose of this referendum.

SUMMARY

12 This constitutional resolution provides that, before an increase in income tax or sales tax may take effect, the increase 14 must be approved by the voters. Voter approval is not required if the Treasurer of State certifies and the Legislature accepts 16 that General Fund revenues have declined 20% or more in the previous fiscal year.

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