

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
118TH LEGISLATURE  
SECOND REGULAR SESSION

HOUSE AMENDMENT "C" to COMMITTEE AMENDMENT "A" to H.P. 1589, L.D. 2219, Bill, "An Act to Reduce Income and Property Taxes"

Amend the amendment by striking out everything after the title and before the 2nd paragraph before the fiscal note and inserting in its place the following:

'Amend the bill by inserting after section 1 the following:

'Sec. 2. 30-A MRSA §5681, sub-§5, as amended by PL 1991, c. 780, Pt. Q, §1, is further amended to read:

5. Treasurer of State. An amount equal to 5.1% 7% of the receipts from the taxes imposed under Title 36, Parts 3 and 8, and credited to the General Fund must be transferred by the Treasurer of State to the Local Government Fund on the first day of each month beginning August 1, 1992 1998.

The Treasurer of State shall distribute the balance in the Local Government Fund on the 20th day of each month.'

Further amend the bill by striking out all of section 4.'

FISCAL NOTE

1998-99

APPROPRIATIONS/ALLOCATIONS

General Fund (\$50,268,399)

HOUSE AMENDMENT

**REVENUES**

2  
4  
6  
8  
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General Fund	(\$14,697,645)
Other Funds	\$43,694,673

This amendment will decrease the combined total cost of the bill to the General Fund and the Tax Relief Fund for Maine Residents by \$50,190,151 in fiscal year 1998-99, \$51,315,322 in fiscal year 1999-2000 and \$53,845,345 in fiscal year 2000-01.

The elimination of the homestead exemption will decrease General Fund appropriations and future General Fund costs. The reductions of General Fund revenue, Tax Relief Fund for Maine Residents revenue and dedicated revenue to Local Government Fund will be increased as a result of the elimination of the offset from the savings in itemized deductions in individual income taxes.

This amendment will result in a net increase in funds for state-municipal revenue sharing estimated at \$29,131,110 in fiscal year 1998-99, \$32,683,842 in fiscal year 1999-2000 and \$34,094,807 in fiscal year 2000-01.

**SUMMARY**

This amendment eliminates the Maine Resident Homestead Property Tax Exemption established by Committee Amendment "A." This amendment raises the state-municipal revenue sharing percentage from 5.1% to 7%.

SPONSORED BY: *Remont Lemont*  
(Representative LEMONT)

TOWN: Kittery