

# MAINE STATE LEGISLATURE

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# 123rd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2007

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Legislative Document

No. 263

H.P. 219

House of Representatives, January 18, 2007

### An Act To Reduce the Property Tax Burden

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Reference to the Committee on Taxation suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative RAND of Portland.  
Cosponsored by Representative SIROIS of Turner and  
Representative: WOODBURY of Yarmouth, Senator: PERRY of Penobscot.

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

2 **Sec. 1. 5 MRSA §13090-K, sub-§2**, as enacted by PL 2001, c. 439, Pt. UUUU,  
3 §1, is amended to read:

4 **2. Source of fund.** Beginning July 1, 2003 and every July 1st thereafter, the State  
5 Controller shall transfer to the Tourism Marketing Promotion Fund an amount, as  
6 certified by the State Tax Assessor, that is equivalent to 5% of the 7% tax imposed on  
7 tangible personal property and taxable services pursuant to Title 36, section 1811, for the  
8 first 6 months of the prior fiscal year after the reduction for the transfer to the Local  
9 Government Fund as described by Title 30-A, section 5681, subsection 5. Beginning on  
10 October 1, 2003 and every October 1st thereafter, the State Controller shall transfer to the  
11 Tourism Marketing Promotion Fund an amount, as certified by the State Tax Assessor,  
12 that is equivalent to 5% of the 7% tax imposed on tangible personal property and taxable  
13 services pursuant to Title 36, section 1811, for the last 6 months of the prior fiscal year  
14 after the reduction for the transfer to the Local Government Fund. Beginning October 1,  
15 2007 and every October 1st thereafter, and after the transfer required by Title 30-A,  
16 section 5686, subsection 3, the State Controller shall transfer to the Tourism Marketing  
17 Promotion Fund an amount, as certified by the State Tax Assessor, that is equivalent to  
18 5% of the tax imposed pursuant to Title 36, section 1811 on the value of rental of living  
19 quarters in any hotel, rooming house or tourist trailer camp and on the value of prepared  
20 food for the first 6 months of the prior fiscal year after the reduction for the transfer to the  
21 Local Government Fund. Beginning July 1, 2008 and every July 1st thereafter, and after  
22 the transfer required by Title 30-A, section 5686, subsection 3, the State Controller shall  
23 transfer to the Tourism Marketing Promotion Fund an amount, as certified by the State  
24 Tax Assessor, that is equivalent to 5% of the tax imposed pursuant to Title 36, section  
25 1811 on the value of rental of living quarters in any hotel, rooming house or tourist trailer  
26 camp and on the value of prepared food for the last 6 months of the prior fiscal year after  
27 the reduction for the transfer to the Local Government Fund. The tax amount must be  
28 based on actual sales for that fiscal year and may not consider any accruals that may be  
29 required by law. The amount transferred from General Fund sales and use tax revenues  
30 does not affect the calculation for the transfer to the Local Government Fund.

31 **Sec. 2. 30-A MRSA §5686** is enacted to read:

32 **§5686. Revenue sharing of meals and lodging taxes**

33 **1. Meals and Lodging Property Tax Relief Fund established.** There is  
34 established the Meals and Lodging Property Tax Relief Fund, referred to in this section as  
35 "the fund," for the purpose of returning a portion of the revenue generated by meals and  
36 lodging taxes to the municipalities in which those taxes were collected. As used in this  
37 section, "meals and lodging tax" means the taxes imposed pursuant to Title 36, section  
38 1811 on the value of prepared food and on the value of the rental of living quarters in any  
39 hotel, rooming house or tourist or trailer camp.

40 **2. Fund to be used for property tax relief.** A municipality that receives a transfer  
41 of funds pursuant to subsection 3 must use that revenue to decrease the property taxes  
42 imposed on the residents of that municipality.

