



128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 133

S.P. 52

In Senate, January 17, 2017

An Act To Support Lower Property Taxes by Restoring State-Municipal Revenue Sharing

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Secretary of the Senate

Presented by Senator BELLOWS of Kennebec.
Cosponsored by Representative MADIGAN of Rumford and
Senators: KATZ of Kennebec, MAKER of Washington, SAVIELLO of Franklin,
Representatives: GILLWAY of Searsport, MAREAN of Hollis, NADEAU of Winslow,
SHERMAN of Hodgdon, TEPLER of Topsham.

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

2 **Sec. 1. 30-A MRSA §5681, sub-§5**, as amended by PL 2015, c. 267, Pt. K, §1, is
3 further amended to read:

4 **5. Transfers to funds.** No later than the 10th day of each month, the State
5 Controller shall transfer to the Local Government Fund 5% of the receipts during the
6 previous month from the taxes imposed under Title 36, Parts 3 and 8, and Title 36,
7 section 2552, subsection 1, paragraphs A to F and L, and credited to the General Fund
8 without any reduction, except that for fiscal years 2015-16, and 2016-17, 2017-18 and
9 2018-19 the amount transferred is 2%, for fiscal year 2017-18 the amount transferred is
10 3% and for fiscal year 2018-19 the amount transferred is 4% of the receipts during the
11 previous month from the taxes imposed under Title 36, Parts 3 and 8, and Title 36,
12 section 2552, subsection 1, paragraphs A to F and L, and credited to the General Fund
13 without any reduction, ~~and~~ except that the postage, state cost allocation program and
14 programming costs of administering state-municipal revenue sharing may be paid by the
15 Local Government Fund. A percentage share of the amounts transferred to the Local
16 Government Fund each month must be transferred to the Disproportionate Tax Burden
17 Fund and distributed pursuant to subsection 4-B as follows:

18 C. For months beginning on or after July 1, 2009 but before July 1, 2010, 15%;

19 D. For months beginning on or after July 1, 2010 but before July 1, 2011, 16%;

20 E. For months beginning on or after July 1, 2011 but before July 1, 2012, 17%;

21 F. For months beginning on or after July 1, 2012 but before July 1, 2013, 18%;

22 G. For months beginning on or after July 1, 2013 but before July 1, 2014, 19%; and

23 H. For months beginning on or after July 1, 2014, 20%.

24 **SUMMARY**

25 Current law reduces the amount transferred to the Local Government Fund for state-
26 municipal revenue sharing from 5% to 2% for fiscal years 2015-16, 2016-17, 2017-18
27 and 2018-19. This bill gradually restores the percentage transferred for state-municipal
28 revenue sharing by increasing the percentage transferred to the Local Government Fund
29 to 3% for fiscal year 2017-18 and to 4% for fiscal year 2018-19. Following fiscal year
30 2018-19, the percentage of state-municipal revenue sharing is scheduled to return to 5%.