



# 126th MAINE LEGISLATURE

LD 1649

LR 2498(02)

## An Act To Make Maine Mills More Competitive by Encouraging the Processing of Forest Products at Mills in the United States

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

State Mandate - Unfunded

	FY 2013-14	FY 2014-15	Projections FY 2015-16	Projections FY 2016-17
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$17,488	\$69,952	\$264,050
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$17,488	\$69,952	\$264,050

#### State Mandates

##### Required Activity

Requires municipal tax assessors to process notifications that harvests have occurred, exempt the property from the Tree Growth Tax Law and perform verification of the harvest.

##### Unit Affected

Municipality

##### Local Cost

Significant statewide

The required local activities in this bill may represent a State mandate pursuant to the Constitution of Maine. Unless General Fund appropriations are provided to fund at least 90% of the additional costs or a Mandate Preamble is amended to the bill and two-thirds of the members of each House vote to exempt this mandate from the funding requirement, municipalities may not be required to implement these changes.

#### Fiscal Detail and Notes

This bill exempts land enrolled under the Tree Growth Tax Law when forest products harvested from that land are processed only at US mills. The Department of Administrative and Financial Services, Maine Revenue Services, would require a General Fund appropriation of \$192,000 in fiscal year 2016-17 to reimburse municipalities for 50% of the loss of property tax as required by the Maine Constitution.

The bill includes a General Fund appropriation of \$17,488 for one Property Tax Appraiser I position to administer the exemption in the unorganized territories.