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An Act To Reallocate Revenues from the Real Estate Transfer Tax

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Land for Maine's Future Fund is used for the purchase of land of significance to the public; and

Whereas, this legislation provides a consistent source of funding for the Land for Maine's Future Fund; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 5 MRSA §6203, sub-§1, as amended by PL 1993, c. 728, §4, is further amended to read:

1. Fund established. There is established the Land for Maine's Future Fund that, which is administered by the board. The Land for Maine's Future Fund consists of the proceeds from the sale of any bonds authorized for the purposes set forth in subsection 3, revenue from the real estate transfer tax pursuant to Title 36, section 4641-B, subsection 4 and any funds received as contributions from private and public sources for those purposes. The Land for Maine's Future Fund must be held separate and apart from all other money, funds and accounts. Eligible investment earnings credited to the assets of the Land for Maine's Future Fund become part of the assets of that fund. Any balance remaining in the Land for Maine's Future Fund at the end of any fiscal year must be carried forward for the next fiscal year.

Sec. 2. 36 MRSA §4641-B, sub-§4, as amended by PL 2005, c. 644, §4, is repealed and the following enacted in its place:

4. Distribution of State's share of proceeds. The State Tax Assessor shall pay all net receipts received pursuant to this section to the Treasurer of State and shall at the same time provide the Treasurer of State with documentation showing the amount of revenues derived from the tax imposed by section 4641-A, subsection 1 and the amount of revenues derived from the tax imposed by section 4641-A, subsection 2.

A. The Treasurer of State shall credit 1/2 of the revenues derived from the tax imposed by section 4641-A, subsection 1 to the General Fund, of which the first \$2,000,000 must be deposited by the Treasurer of State in the Land for Maine's Future Fund established in Title 5, section 6203; and

B. The Treasurer of State shall monthly pay 1/2 of the revenues derived from the tax imposed by section 4641-A, subsection 1 to the Maine State Housing Authority, which shall deposit the funds in the Housing Opportunities for Maine Fund created in Title 30-A, section 4853.

The Treasurer of State shall credit to the General Fund all of the revenues derived from the tax imposed by section 4641-A, subsection 2.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect July 1, 2007.

SUMMARY

Current law requires 45% of the revenue from the real estate transfer tax to be deposited in the General Fund.

This bill requires that, of the amount transferred to the General Fund, the Treasurer of State transfer the first \$2,000,000 to the Land for Maine's Future Fund.