

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill in section 1 by striking out all of paragraph E (page 1, lines 4 to 8 in L.D.) and inserting the following:

'E. "Disproportionate tax burden" means the total real and personal property taxes assessed in the municipal fiscal year pertaining to the latest state valuation, except the taxes assessed on captured value within a tax increment financing district, divided by the latest state valuation certified to the Secretary of State and reduced by .01. Beginning on July 1, 2013 and each July 1st thereafter, if the total revenue-sharing distribution as calculated by subsection 5 is distributed to the municipalities without transfer or reduction, the reduction factor must be increased by either .0005 or the percentage increase necessary to equal the statewide average property tax rate, whichever increase is smaller, until the fiscal year when the percentage reduction factor reaches the statewide average property tax rate.'

SUMMARY

This amendment implements over several years a change in the distribution of revenue-sharing funds from the Disproportionate Tax Burden Fund, commonly referred to as "revenue sharing 2," from municipalities with an equalized property tax rate exceeding 10 mills to municipalities with an equalized property tax rate exceeding the statewide average property tax rate. The phased-in change may occur only if the total revenue-sharing distribution as established in statute is being provided without reduction or transfer. In addition, the adjustment of the reduction factor in the revenue sharing 2 distribution formula from 10 mills to the statewide average property tax rate is accomplished through an adjustment of no more than 1/2 of one mill per year until the statewide average property tax rate is reached.