

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

An Act To Increase the Sales Tax To Support Revenue Sharing

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

Sec. 1. 36 MRSA §1811-C is enacted to read:

§ 1811-C. Contingent additional 1% sales tax

Notwithstanding section 1811, beginning October 1, 2013 and every October 1st annually, if the total amount of revenue transferred by the State Controller to the Local Government Fund pursuant to Title 30-A, section 5681, subsection 5 during the prior fiscal year is less than 5%, an additional 1% sales tax must be added to the sales tax rates specified in section 1811. If on the subsequent October 1st the total amount transferred to the Local Government Fund pursuant to Title 30-A, section 5681, subsection 5 during the prior fiscal year is at least 5%, the rate of the sales tax imposed on the value of all tangible personal property and taxable services sold at retail in this State reverts to the rates specified in section 1811.

SUMMARY

This bill imposes an additional 1% sales tax if the amount of revenue transferred for revenue sharing is less than 5% for the prior fiscal year. If in the subsequent year the amount of revenue transferred for revenue sharing is at least 5%, the sales tax rates revert to the statutory rates for the next fiscal year.