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## **An Act To Hold an Advisory Referendum on Tax Reform**

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

**Whereas,** this legislation requires the Secretary of State to hold an advisory referendum on tax reform in June 2014, and if the referendum is approved by the voters, the Governor is directed to include proposals in the biennial budget to lower income tax rates, implement alternative taxes and reduce overall tax revenues and government spending by at least \$100,000,000; 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:**

### **PART A**

**Sec. A-1. Special advisory referendum on tax reform.** The Secretary of State shall, at a special statewide election in the month of June following the passage of this Act, hold a special advisory referendum to determine the sentiment of the people on tax reform.

**Sec. A-2. Advisory referendum procedure; submission at statewide election.** This advisory referendum must be submitted to the legal voters of the State at a statewide election held in the month of June following passage of this Act. The municipal officers of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, to give their opinion on this question by voting on the following:

"Do you favor lowering income tax rates, implementing alternative taxes and reducing overall tax revenues and government spending by at least \$100,000,000 in order to make Maine more economically competitive and improve the job creation environment?"

The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a cross or check mark placed within a corresponding square below the word "Yes" or "No." The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns and shall proclaim, without delay, the total number of ballots in favor of and opposed to the tax reform proposal.

The Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this Part necessary to carry out the purpose of this advisory referendum.

### **PART B**

**Sec. B-1. Implementation.** If the Secretary of State certifies to the Governor that a majority of the voters have approved the advisory referendum question in Part A, the Governor shall direct the Commissioner of Administrative and Financial Services to include in the biennial budget for fiscal years 2015-16 and 2016-17 submitted to the First Regular Session of the 127th Legislature pursuant to the Maine Revised Statutes, Title 5, section 1666 proposals to lower the income tax rates, implement alternative taxes and reduce overall tax revenues and government spending by at least \$100,000,000 in order to make Maine more economically competitive and improve the job creation environment.

**Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.

## SUMMARY

This bill directs the Secretary of State to hold an advisory referendum at a statewide election in June to determine whether the voters of the State favor lowering income tax rates, implementing alternative taxes and reducing overall tax revenues and government spending by at least \$100,000,000 in order to make Maine more economically competitive and improve the job creation environment.

If the voters approve the advisory referendum question, the Governor is required to direct the Commissioner of Administrative and Financial Services to include in the biennial budget for fiscal years 2015-16 and 2016-17 submitted to the First Regular Session of the 127th Legislature proposals to lower the income tax rates, implement alternative taxes and reduce overall tax revenues and government spending by at least \$100,000,000.