

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 Support Lower Property Taxes by Restoring State-Municipal Revenue Sharing**

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

**Sec. 1. 30-A MRSA §5681, sub-§5**, as amended by PL 2015, c. 267, Pt. K, §1, is further amended to read:

**5. Transfers to funds.** No later than the 10th day of each month, the State Controller shall transfer to the Local Government Fund 5% of the receipts during the previous month from the taxes imposed under Title 36, Parts 3 and 8; and Title 36, section 2552, subsection 1, paragraphs A to F and L; and credited to the General Fund without any reduction, except that for fiscal years 2015-16; and 2016-17; 2017-18 and 2018-19 the amount transferred is 2%, for fiscal year 2017-18 the amount transferred is 3% and for fiscal year 2018-19 the amount transferred is 4% of the receipts during the previous month from the taxes imposed under Title 36, Parts 3 and 8; and Title 36, section 2552, subsection 1, paragraphs A to F and L; and credited to the General Fund without any reduction, and except that the postage, state cost allocation program and programming costs of administering state-municipal revenue sharing may be paid by the Local Government Fund. A percentage share of the amounts transferred to the Local Government Fund each month must be transferred to the Disproportionate Tax Burden Fund and distributed pursuant to subsection 4-B as follows:

- C. For months beginning on or after July 1, 2009 but before July 1, 2010, 15%;
- D. For months beginning on or after July 1, 2010 but before July 1, 2011, 16%;
- E. For months beginning on or after July 1, 2011 but before July 1, 2012, 17%;
- F. For months beginning on or after July 1, 2012 but before July 1, 2013, 18%;
- G. For months beginning on or after July 1, 2013 but before July 1, 2014, 19%; and
- H. For months beginning on or after July 1, 2014, 20%.

### **SUMMARY**

Current law reduces the amount transferred to the Local Government Fund for state-municipal revenue sharing from 5% to 2% for fiscal years 2015-16, 2016-17, 2017-18 and 2018-19. This bill gradually restores the percentage transferred for state-municipal revenue sharing by increasing the percentage transferred to the Local Government Fund to 3% for fiscal year 2017-18 and to 4% for fiscal year 2018-19. Following fiscal year 2018-19, the percentage of state-municipal revenue sharing is scheduled to return to 5%.