

## **132nd MAINE LEGISLATURE**

## FIRST REGULAR SESSION-2025

**Legislative Document** 

No. 237

S.P. 103

In Senate, January 21, 2025

An Act to Increase the Percentage of Funds Provided to Municipalities Through State-Municipal Revenue Sharing

Received by the Secretary of the Senate on January 16, 2025. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed.

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DAREK M. GRANT Secretary of the Senate

Presented by Senator BALDACCI of Penobscot. Cosponsored by Senator: GROHOSKI of Hancock. 1 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 2023, c. 412, Pt. XXX, §1
and affected by §15, is repealed and the following enacted in its place:

4 5. Transfers to funds. Beginning January 1, 2026 and before January 1, 2027, no 5 later than the 10th day of each month, the State Controller shall transfer to the Local Government Fund 5.5% of the receipts during the previous month from the taxes imposed 6 under Title 36, Parts 3 and 8 and Title 36, section 2552, subsection 1-A and credited to the 7 8 General Fund without any reduction, except that the postage, state cost allocation program 9 and programming costs of administering state-municipal revenue sharing may be paid by the Local Government Fund. Twenty percent of the amounts transferred to the Local 10 Government Fund each month must be transferred to the Disproportionate Tax Burden 11 Fund and distributed pursuant to subsection 4-B. 12

13 Beginning January 1, 2027, no later than the 10th day of each month, the State Controller shall transfer to the Local Government Fund 6% of the receipts during the previous month 14 from the taxes imposed under Title 36, Parts 3 and 8 and Title 36, section 2552, subsection 15 16 1-A and credited to the General Fund without any reduction, except that the postage, state cost allocation program and programming costs of administering state-municipal revenue 17 sharing may be paid by the Local Government Fund. Twenty percent of the amounts 18 transferred to the Local Government Fund each month must be transferred to the 19 20 Disproportionate Tax Burden Fund and distributed pursuant to subsection 4-B.

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Sec. 2. Effective date. This Act takes effect January 1, 2026.

## SUMMARY

This bill increases the percentage of funds provided to municipalities through state municipal revenue sharing to 5.5% beginning January 1, 2026 and to 6% beginning January
1, 2027.