

STATE OF MAINE

—  
IN THE YEAR OF OUR LORD  
TWO THOUSAND TWENTY-FOUR

—  
S.P. 828 - L.D. 2006

**An Act to Amend the Laws Regarding Adjustments for Sudden and Severe  
Disruption of Municipal Valuation**

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

**Whereas,** municipalities will be evaluating their resources and preparing their budgets sooner than 90 days after adjournment of the Second Regular Session of the 131st Legislature; and

**Whereas,** enactment of this bill may result in the availability of additional revenue for some municipalities that qualify for a sudden and severe disruption of valuation adjustment; and

**Whereas,** it is necessary to maximize the ability of municipalities to consider the availability of additional revenue when preparing their budgets; 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:**

**Sec. 1. 30-A MRSA §5681, sub-§2, ¶B,** as amended by PL 2007, c. 662, §1, is further amended to read:

B. "Property 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. In the case of a municipality that qualifies for an adjustment for sudden and severe disruption of valuation under Title 36, section 208-A, the amount of money that municipality uses from undesignated fund balances in the municipal fiscal year must be added to the total real and personal property taxes assessed in each fiscal year that municipality qualifies for an adjustment in the determination of the property tax burden.

**Sec. 2. 30-A MRSA §5681, sub-§2, ¶E**, as amended by PL 2011, c. 656, §1, is further amended to read:

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. In the case of a municipality that qualifies for an adjustment for sudden and severe disruption of valuation under Title 36, section 208-A, the amount of money that municipality uses from undesignated fund balances in the municipal fiscal year must be added to the total real and personal property taxes assessed in each fiscal year that municipality qualifies for an adjustment in the determination of the property tax burden. 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.

**Sec. 3. Application.** This Act applies to adjustments for revenue sharing years beginning on or after July 1, 2024 or the effective date of this Act, whichever is later.

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