



131st MAINE LEGISLATURE

SECOND REGULAR SESSION-2024

Legislative Document

No. 2143

H.P. 1367

House of Representatives, January 3, 2024

**An Act to Dedicate the Revenue from the Sales Tax on Electricity to
Low-income Ratepayer Assistance**

Submitted by the Office of the Public Advocate pursuant to Joint Rule 203.
Reference to the Committee on Taxation suggested and ordered printed.

Robert B. Hunt
ROBERT B. HUNT
Clerk

Presented by Representative WARREN of Scarborough.

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

2 **Sec. 1. 36 MRSA §1822** is enacted to read:

3 **§1822. Use of revenue from tax on electricity**

4 Notwithstanding any provision of law to the contrary, beginning October 1, 2024 and
5 every October 1st thereafter, the State Controller shall transfer to the Maine State Housing
6 Authority, Low-income Home Energy Assistance - MSHA, Other Special Revenue Funds
7 account for the Low-Income Assistance Program and statewide plan administered by the
8 Maine State Housing Authority to help low-income homeowners and renters pay for
9 electricity costs by providing a credit on the homeowners' and renters' electric bills in an
10 amount, as certified by the State Tax Assessor, that is equivalent to 100% of the revenue
11 from the tax imposed under this Part on the sale of electricity for the last 6 months of the
12 prior fiscal year after the reduction for the transfer to the Local Government Fund as
13 described by Title 30-A, section 5681, subsection 5. The tax amount must be based on
14 actual sales for that fiscal year and may not consider any sales exempt pursuant to section
15 1760, subsection 9-B or any accruals that may be required by law.

16 Notwithstanding any provision of law to the contrary, beginning July 1, 2025 and every
17 July 1st thereafter, the State Controller shall transfer to the Maine State Housing Authority,
18 Low-income Home Energy Assistance - MSHA, Other Special Revenue Funds account for
19 the Low-Income Assistance Program and statewide plan administered by the Maine State
20 Housing Authority to help low-income homeowners and renters pay for electricity costs by
21 providing a credit on the homeowners' and renters' electric bills in an amount, as certified
22 by the State Tax Assessor, that is equivalent to 100% of the revenue from the tax imposed
23 under this Part on the sale of electricity for the first 6 months of the prior fiscal year after
24 the reduction for the transfer to the Local Government Fund as described by Title 30-A,
25 section 5681, subsection 5. The tax amount must be based on actual sales for that fiscal
26 year and may not consider any sales exempt pursuant to section 1760, subsection 9-B or
27 any accruals that may be required by law.

28 **SUMMARY**

29 This bill dedicates the revenue from the tax on the sale of electricity to the Low-Income
30 Assistance Program administered by the Maine State Housing Authority to help low-
31 income homeowners and renters pay for electricity costs by providing a credit on the
32 homeowners' and renters' electric bills. The bill does not affect the current exemptions
33 from sales tax for certain residential and manufacturing electricity uses.