



128th MAINE LEGISLATURE

LD 1522

LR 569(02)

An Act To Authorize a Local Option Sales Tax

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

Contingent current biennium cost increase - General Fund
Contingent current biennium revenue increase - Local Government Fund
Contingent current biennium revenue increase - Municipalities

Fiscal Detail and Notes

This bill allows a municipality to establish a local option sales tax if approved by referendum of the municipality's voters. If such a tax is established by a municipality, the Department of Administrative and Financial Services will need an initial General Fund appropriation of approximately \$690,000 with annual General Fund appropriations thereafter of approximately \$450,000 to establish, implement and maintain a system to track certain sales taxes by municipality. Revenue from this tax would be distributed to the municipality, to the Local Government Fund for revenue sharing statewide and to the Regional Economic Development Revolving Loan Program administered by the Finance Authority of Maine for distribution to counties for economic development purposes.