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An Act To Provide an Additional Source of Revenue for the Tax Relief Fund for Maine Residents

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

Sec. 1. 5 MRSA §1518-A, as enacted by PL 2005, c. 2, Pt. A, §4 and affected by §14, is amended to read:

§ 1518-A. Tax Relief Fund for Maine Residents

1. Tax Relief Fund for Maine Residents. There is created the Tax Relief Fund for Maine Residents, referred to in this section as "the fund," which must be used to provide tax relief to residents of the State. The fund consists of all resources transferred to the fund under this section and section 1536 and other resources made available to the fund.

2. Nonlapsing fund. Any unexpended balance in the ~~Tax Relief Fund for Maine Residents~~ may fund does not lapse but ~~must be~~ is carried forward to be used pursuant to subsection 1.

3. Transfer from income tax and sales tax revenue growth. Beginning in fiscal year 2011-12, at the close of each fiscal year the State Controller shall transfer to the fund 10% of the increase in revenue received by the State under Title 36, Parts 3 and 8 for the fiscal year being closed over the revenue received under Title 36, Parts 3 and 8 for the previous fiscal year.

4. Legislation authorized. The joint standing committee of the Legislature having jurisdiction over taxation matters may submit legislation to provide tax relief using money available in the fund.

SUMMARY

This bill provides that, beginning in fiscal year 2011-12, 10% of growth in sales and use tax and income tax would be transferred to the Tax Relief Fund for Maine Residents to be available for tax relief.