

SECTION II – SUMMARY OF MAJOR TAXES AND REVENUE SOURCES

This section contains summaries of the major tax and revenue sources. The summaries identify the tax base for each tax or the persons or entities required to pay each of the major license fees or assessments as of June 30, 2014. For those revenue sources that are not considered taxes, fees or assessments, a discussion or description of the major contributions are provided. The summaries also include a revenue history of these categories by fund. The amounts in these tables may not add due to rounding to the nearest \$1. Most of these summaries also include a statutory history showing dates of adoption and the major amendments to the tax, fee or assessment.

INDIVIDUAL INCOME TAX – 36 M.R.S.A., Part 8

A tax is imposed for each taxable year on the Maine taxable income of every resident individual, estate and trust of Maine. Maine taxable income is based on federal adjusted gross income, with several Maine-specific adjustments. Nonresident individuals, estates and trusts are subject to tax on income derived within Maine. Tax rates are progressive at 0%, 6.5% and 7.95%. Table II-1 on page 6 provides a summary of 2014 individual income tax schedules, personal exemptions and standard deductions. The rate for nonresident individuals is determined based on taxable income from all sources and applied to Maine-sourced income to determine the tax. Tax rates for fiduciaries are the same as those for single individuals.

Withholding of Maine income tax from wages is required of every employer who maintains an office or transacts business in Maine and who makes payment of any wages subject to Maine income tax, whether or not the employee is a Maine resident. Every person who maintains an office or who transacts business in Maine and who makes payment of any other income which constitutes Maine taxable income is also required to withhold Maine income tax from such payments, if federal withholding is required.

Every partnership or S-corporation having a resident partner or shareholder or having Maine-derived income is required to file an information tax return. Limited liability companies are taxed as either partnerships or corporations, according to the treatment elected by the company for purposes of the federal income tax.

Individual Income Tax

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$1,296,255,557	\$2,996,659	\$1,299,252,215
2006	\$1,364,368,543	\$4,558,216	\$1,368,926,759
2007	\$1,464,928,346	\$4,367,042	\$1,469,295,388
2008	\$1,558,032,961	\$4,805,251	\$1,562,838,211
2009	\$1,365,437,729	\$5,272,103	\$1,370,709,832
2010	\$1,298,036,055	\$5,333,447	\$1,303,369,502
2011	\$1,415,283,534	\$5,697,599	\$1,420,981,133
2012	\$1,434,217,189	\$7,708,479	\$1,441,925,668
2013	\$1,521,862,756	\$9,641,568	\$1,531,504,325
2014	\$1,406,117,705	\$7,992,220	\$1,414,109,925

Revenue Notes – Individual Income Tax – Individual income tax collections accrue to the General Fund. The amounts in Other Special Revenue Funds are revenue set aside for reimbursement to contractors/collection agencies under 36 M.R.S.A. §113, and also include reimbursements and/or assessments related to the Visual Media Production Reimbursement created by 36 M.R.S.A. c. 919-A §6901 *et seq.* Individual income tax revenue began year-end accruals of revenue in fiscal year 1996. The amounts presented above are the gross amounts, before the reductions for municipal revenue sharing and the transfers for tax relief programs described on pages 63 to 67.

History – Individual Income Tax

Adopted 1969. Originally effective on July 1, 1969, for individuals, estates and trusts. Amended numerous times since enactment to alter the tax rates and other provisions. The tax rate brackets, standard deduction and personal exemption were made subject to indexing for inflation beginning in 1983 with frequent exceptions since adoption for each year except tax years 1988 and 1989. For tax years 1992 through 1999, the tax rate brackets and personal exemption were not adjusted for inflation because the inflation factor was less than 1.000. PL 2011, c. 380, Part N provided federal conformity with standard deductions, eliminated the alternative minimum tax, reduced the amount of additional taxes for lump sum and early retirement plan distributions and allowed itemized deductions for mortgage premiums beginning in tax year 2012. Part N also changed the tax rate schedules and personal exemption amounts beginning in tax year 2013. PL 2011, c 692 directed the transfer of certain excess General Fund revenues to the Tax Relief Fund to be used to gradually reduce the income tax rates. PL 2013, c. 368, Part Q suspended the inflation adjustment for tax years beginning in 2014 and 2015 and provided that the inflation adjustment calculation for tax years beginning after 2015 is based upon the Chained Consumer Price Index instead of the Consumer Price Index. PL 2013, c. 368, Part TT amended the standard deduction to not conform with the federal standard deduction for married filers for income tax years beginning in 2013, enacted a cap of \$27,500 on itemized deductions for income tax years beginning on or after January 1, 2013 and enacted an annual inflation adjustment to the itemized deduction amount. PL 2013, c. 595, provided that, beginning January 1, 2014, the cap on itemized deductions does not apply to medical and dental deductions. PL 2013, c.590, provides that, for tax year 2016, charitable contribution deductions can exceed the itemized deduction cap by \$18,000 and removes charitable contributions from the cap beginning January 1, 2017.

CORPORATE INCOME TAX – 36 M.R.S.A., Part 8

A corporate income tax is imposed on all corporations (except subchapter S corporations) subject to federal income tax and having nexus with Maine, except for financial institutions subject to the franchise tax and insurance companies subject to the insurance premium tax. The tax is levied on Maine net income, which is federal taxable income as modified by Maine law. Modified federal taxable income is apportioned based on the percentage of the corporate taxpayer’s sales in Maine. The income of mutual fund service providers is also apportioned based only on sales. Corporate tax rates are progressive from 3.5% to 8.93% (see table below). Combined reporting is required for all taxable corporations that are members of an affiliated group operating in a unitary fashion.

Corporate Tax Rates

If the taxable income is:		The tax rate is:
\$ 0 but not over	\$ 25,000	3.50%
\$ 25,000 but not over	\$ 75,000	\$875 plus 7.93% of the excess above \$25,000
\$ 75,000 but not over	\$250,000	\$4,840 plus 8.33% of the excess above \$75,000
\$250,000 or over		\$19,418 plus 8.93% of the excess above \$250,000

Limited liability companies can be taxed as either partnerships or corporations, according to the election of the company for federal income tax purposes.

Table II-1 State of Maine – Individual Income Tax – 2014 Rates

Note: Indexing of the individual income tax rate schedules has been suspended for tax years 2014 and 2015. The 2014 rate schedules dollar bracket amounts are the same as those contained in the 2013 individual income tax rate schedules. (see 36 M.R.S.A. §5403).

Tax Rate Schedule #1

FOR SINGLE INDIVIDUALS AND MARRIED PERSONS FILING SEPARATE RETURNS

If the taxable income is:	The tax is:
Less than \$5,200	0.0%
\$5,200 but less than \$20,900	6.5% of excess over \$5,200
\$20,900 or more	\$1,021 plus 7.95% of excess over \$20,900

Tax Rate Schedule #2

FOR UNMARRIED OR LEGALLY SEPARATED INDIVIDUALS WHO QUALIFY AS HEADS-OF-HOUSEHOLDS

If the taxable income is:	The tax is:
Less than \$7,850	0.0% of the taxable income
\$7,850 but less than \$31,350	6.5% of excess over \$7,850
\$31,350 or more	\$1,528 plus 7.95% of excess over \$31,350

Tax Rate Schedule #3

FOR MARRIED INDIVIDUALS AND SURVIVING SPOUSES FILING JOINT RETURNS

If the taxable income is:	The tax is:
Less than \$10,450	0.0%
\$10,450 but less than \$41,850	6.5% of excess over \$10,450
\$41,850 or more	\$2,041 plus 7.95% of excess over \$41,850

PERSONAL EXEMPTION: \$3,900

STANDARD DEDUCTION:

Single - \$6,200	Married Filing Jointly - \$12,400
Head-of-Household - \$9,100	Married Filing Separate - \$6,200

Additional Amount for Age or Blindness:

\$1,200 if married (whether filing jointly or separately) or a qualified surviving spouse. The additional amount is \$2,400 if one spouse is 65 or over and blind, \$2,400* if both spouses are 65 or over, \$4,800* if both spouses are 65 or over and blind, etc.

*If married filing separately, these amounts apply only if you can claim an exemption for your spouse.

\$1,550 if unmarried (single or head-of-household). The additional amount is \$3,100 if the individual is both 65 or over and blind.

Note: If taxpayer can be claimed as a dependent on another person's return, the standard deduction is the greater of \$1,000 or earned income plus \$350 (up to the standard deduction amount).

Corporate Income Tax

Fiscal Year	General Fund	Total All Funds
2005	\$135,862,913	\$135,862,913
2006	\$188,015,558	\$188,015,558
2007	\$183,851,533	\$183,851,533
2008	\$184,514,568	\$184,514,568
2009	\$143,085,966	\$143,085,966
2010	\$175,292,433	\$175,292,433
2011	\$208,996,598	\$208,996,598
2012	\$232,117,995	\$232,117,995
2013	\$171,987,073	\$171,987,073
2014	\$182,928,181	\$182,928,181

Revenue Notes – Corporate Income Tax

Corporate income tax collections accrue to the General Fund. The amounts above also include revenue from the Franchise Tax on Financial Institutions (see next section). Corporate income tax revenue began year-end accruals of revenue in fiscal year 2000.

History – Corporate Income Tax

Adopted 1969. Originally effective January 1, 1969. Amended numerous times since enactment to alter the tax rates and other provisions. Amended by PL 2007, c. 240, Part V and PL 2009, c. 213, Part NN to change the apportionment formula. PL 2009, c. 571, Part GG adopted the Finnigan approach for the purpose of calculating the sales apportionment factor for C-corporations operating in Maine. PL 2011, c. 380, Part O brought Maine into full conformity with expensing rules under the Internal Revenue Code, section 179 and created a credit equal to 10% of federal bonus depreciation. PL 2011, c. 380 also included new credits for specific investments.

FRANCHISE TAX ON FINANCIAL INSTITUTIONS – 36 M.R.S.A. c. 819

The franchise tax on financial institutions is imposed annually in lieu of income tax on every financial institution doing business in Maine that had a substantial physical presence in Maine and which at any time during the taxable year realized Maine net income or had Maine assets. Financial institutions may elect to pay the franchise tax as follows: (1) 1% of Maine net income and 8¢ per \$1,000 of Maine assets, or (2) 39¢ per \$1,000 of Maine assets with no assessment based on Maine net income. Combined reporting is required for all financial institutions that are members of an affiliated group operating in a unitary fashion.

Revenue Notes – Franchise Tax on Financial Institutions

The franchise tax on financial institutions is collected as part of the corporate income tax filing process and accrues to the General Fund. Revenue from this tax is included under Corporate Income Tax. Separate detail is not available.

History – Franchise Tax on Financial Institutions

Adopted 1983. Originally enacted with the corporate income tax (P&SL 1969 c. 154). Financial institutions were taxed at the same rate as corporations until 1984 when the tax was changed to ½ of 1% of Maine net income and 4¢ per \$1,000 of Maine assets. Tax was doubled in 1986. Amended in 1997 and 1998 to clarify definitions, application and apportionment. Amended in 2006 to provide option of tax based solely on Maine assets.

SALES AND USE TAXES – 36 M.R.S.A. cc. 211-225

Sales Tax – Maine sales tax is imposed at the following rates:

- 1) 5% of the retail sale price of tangible personal property and the taxable services of transmission and distribution of electricity, extended service contracts on an automobile, prepaid calling arrangements and long-term automobile rentals or leases. From 10/1/13 to 6/30/15 the rate is increased to 5.5%;

- 2) 7% on temporary rentals of living quarters in hotels, rooming houses, tourist and trailer camps, the sale of liquor by the drink and prepared food. From 10/1/13 to 6/30/15 the rate is increased to 8%; and
- 3) 10% on the short-term rental of automobiles.

Maine sales tax is also imposed on casual sales of motor vehicles, camper trailers, truck campers, livestock trailers, special mobile equipment, boats and aircraft. Sales of new manufactured housing (mobile homes and modular homes) are subject to the 5% or 5.5% tax, usually applied to 50% of the selling price. Beginning July 1, 2004, other services formerly taxed under the sales tax are taxed under the service provider tax described beginning on the next page.

Use Tax – Maine use tax is imposed at the same rate as the sales tax on storage, use or other consumption in Maine of tangible personal property or a service, unless “substantial” (12 months) use was made of the property elsewhere before it was brought to Maine. Motor vehicles registered as automobiles that were purchased and actually used in another state before being brought to Maine are excepted if the purchaser was a resident of another state at the time of purchase. The use tax does not apply to purchases on which Maine sales tax has been paid. Credit is allowed for sales or use tax paid in another jurisdiction, up to the amount of the Maine tax. On-line purchases are subject to the use tax when the seller does not collect sales tax.

Sales and Use Taxes

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$896,576,322	\$23,091	\$896,599,413
2006	\$946,174,276	\$8,510	\$946,182,786
2007	\$971,455,721	\$16	\$971,455,737
2008	\$983,057,278	(\$344)	\$983,056,934
2009	\$921,823,720	\$4,109	\$921,827,829
2010	\$897,938,873	\$10,837	\$897,949,710
2011	\$923,686,973	\$1,496	\$923,688,468
2012	\$981,257,805	\$28	\$981,257,833
2013	\$986,747,637	(\$17)	\$986,747,620
2014	\$1,106,158,236	\$4	\$1,106,152,240

Revenue Notes – Sales and Use Taxes

Sales and Use Tax collections accrue primarily to the General Fund. The Other Special Revenue Funds amounts represent transfers to the Passamaquoddy Sales Tax Fund. Some small amounts represent adjustments for sales taxes collected by state agencies. Sales and Use Tax revenue began year-end accruals of revenue in fiscal year 1998.

History – Sales and Use Taxes

Originally enacted effective July 1, 1951 at 2%. The following rate changes have been implemented:

Sales Tax Rate History

Effective date of change	General Rate	Meals (incl. Liquor by drink)***	Short term lodging	Short term autos
7/1/51	2%	*		
7/1/57	3%	*		
9/1/59	“	*	added*	
7/1/63	4%	*	*	
11/1/67	4.5%	*	*	
6/1/69	5%	*	*	
10/24/77	“	*	*	added*
7/16/86	“	**	7%	7%
8/1/91	6%	7%	“	“
8/1/94	“	“	“	10%
10/1/98	5.5%	“	“	“
7/1/00	5%	“	“	“
10/1/13	5.5%	8%	8%	“
7/1/15	5%	7%	7%	“

- * Included in general rate
- ** Liquor served by drink taxed at 10% from 12/1/89 to 8/1/91
- *** Definition of taxable “meals” has been amended from time to time.

Amended to include taxation of the following services:

Effective date of change	Services added
9/1/59*	Short-term rentals of living quarters
7/1/65*	Telephone and telegraph service (now telecommunications service)
10/24/77	Rental or lease of automobiles
12/15/84*	Extended cable TV services
7/16/86*	Fabrication services and custom computer programming
8/1/89*	Rental of video material and equipment
9/18/99	Prepaid calling arrangements
10/1/99*	Rental of audio materials and equipment
10/1/99*	Rental of furniture
10/9/13	Extended service contracts on trucks

- * Effective 7/1/04 all services except rental of living quarters, transmission and distribution of electricity, auto lease or rental and prepaid calling services were moved from the sales and use tax to the service provider tax.

Amended many times since enactment to add or repeal exemptions. PL 2001, c. 439, Part UUUU established the Tourism Marketing Promotion Fund within the Department of Economic and Community Development, Office of Tourism, which required, effective July 1, 2003, that 5% of the 7% sales tax revenue collected in the prior fiscal year on sales of meals and lodging, after the reduction for transfers to the Local Government Fund, be transferred to the Tourism Marketing Promotion Fund. PL 2003, c. 673, Part V transferred taxation of most services to the Service Provider Tax beginning July 1, 2004. PL 2009, c. 625 imposed the sales and use tax for the first time on medical marijuana. PL 2013, c. 368, Part M increased the tax on sales of prepared food, lodging and liquor sold in bars and restaurants and similar licensed establishments to 8% and the general sales tax to 5.5% from October 1, 2013 to June 30, 2015. The amount transferred to the Tourism Marketing Promotion Fund during this period is 5% of the 8% tax.

SERVICE PROVIDER TAX – 36 M.R.S.A. – c. 358

The service provider tax is imposed at the rate of 5% on the value (sales price) of the following services:

- 1) Extended cable television and satellite services;
- 2) Fabrication services;
- 3) Rental of video media and video equipment;
- 4) Rental of furniture, audio media and audio equipment pursuant to a rental-purchase agreement as defined in Title 9-A, section 11-105;
- 5) Telecommunication services;

- 6) Installation, maintenance or repair of telecommunications equipment;
- 7) Private nonmedical institution services;
- 8) Community support services for persons with mental health diagnoses, developmental disabilities or autism;
- 9) Home support services;
- 10) Ancillary telecommunications services; and
- 11) Group residential services for persons with brain injuries.

Service Provider Tax

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$44,645,517	\$15,535,099	\$60,180,616
2006	\$47,028,430	\$30,960,179	\$77,988,609
2007	\$49,400,532	\$33,955,412	\$83,355,944
2008	\$52,100,664	\$36,494,882	\$88,595,545
2009	\$52,812,595	\$37,720,482	\$90,533,077
2010	\$56,086,391	\$35,609,109	\$91,695,500
2011	\$52,672,306	\$33,880,370	\$86,552,676
2012	\$48,255,501	\$34,829,087	\$83,084,588
2013	\$50,139,878	\$34,998,876	\$85,138,754
2014	\$50,173,388	\$35,354,849	\$85,528,238

Revenue Notes – Service Provider Tax

Service provider tax revenues from above-listed services 1 through 6 and 10 accrue to the General Fund. Service provider tax revenues from above-listed items 7 through 9 and 11 accrue to Other Special Revenue Funds accounts in the Department of Health and Human Services and are used to fund MaineCare services, with a part of the proceeds of the tax used to replace General Fund appropriations for these purposes. The General Fund portion of the Service Provider Tax has been subject to year-end accrual since its implementation.

History – Service Provider Tax

Enacted in PL 2003, c. 673, Part V effective July 1, 2004. Above-listed services 1 to 6 were formerly taxed under the sales and use tax. Amended in 2005 to include community support services (PL 2005, c. 12, Part VV) and day habilitation services, personal support services and residential training services (PL 2005, c. 386, Part S). Amended in 2008 to change names of services and add ancillary telecommunications services (PL 2007, c. 627, §55). Amended in 2013 to apply the tax to group residential services for persons with brain injuries (PL 2013, c. 368, Part OOOO).

ESTATE TAX – 36 M.R.S.A. c. 575; c. 577

The Maine estate tax is imposed upon the transfer of the estate of every person who was a Maine resident at the time of death.

For deaths occurring after January 1, 2002 and before January 1, 2013, the Maine estate tax is equal to the tax that would be owed using the formula for calculating the federal credit for state death taxes effective on December 31, 2002 (exclusive of any reduction in the maximum credit amount) and based on the unified credit amount as of December 31, 2000 / \$1,000,000 for deaths on or after 2006. A similar tax is imposed on real and tangible personal property situated in Maine passing by reason of the death of a person not a Maine resident at the same percentage of the federal allowance for state death taxes that the value of the property taxable in Maine bears to the total estate. For deaths occurring after January 1, 2011, Maine conforms to federal law with respect to qualified terminable interest property. For deaths occurring after December 31, 2012, the exclusion is \$2,000,000 with a progressive rate structure of 8% for taxable estates between \$2 million and \$5 million, 10% for estates between \$5 million and \$8 million, and 12% for estates exceeding \$8 million.

Estate Tax

Fiscal Year	General Fund	Total All Funds
2005	\$32,255,727	\$32,255,727
2006	\$75,330,514	\$75,330,514
2007	\$54,820,038	\$54,820,038
2008	\$39,890,577	\$39,890,577
2009	\$31,819,188	\$31,819,188
2010	\$31,209,840	\$31,209,840
2011	\$49,323,494	\$49,323,494
2012	\$44,865,567	\$44,865,567
2013	\$79,083,058	\$79,083,058
2014	\$23,961,911	\$23,961,911

Revenue Notes – Estate Tax

Estate Tax collections accrue to the General Fund. The Estate Tax began year-end accruals at the end of fiscal year 2000.

History – Estate Tax

Adopted 1927. The current Maine estate tax was enacted in 1981 to replace the previous estate tax based on federal credit for state death taxes, beginning with deaths occurring after June 30, 1986. An additional inheritance tax was phased out between 1981 and 1986. Amended in PL 2001, c. 559, Part GG to calculate Maine estate tax under the formula in effect before federal reductions. Amended in PL 2003, c. 20, Part JJ to extend that treatment through 2004. Amended in PL 2003, c. 673, Part D to extend nonconformity with federal changes. PL 2011, c. 380, Part M increased the exclusions to \$2 million and established a progressive rate structure for estates of decedents dying after December 31, 2012. It provided conformance with federal law with respect to the treatment of qualified terminable interest property for estates of decedents dying on or after January 1, 2011, and clarified provisions related to nonresidents' estates.

CIGARETTE TAX – 36 M.R.S.A. c.703 & 22 M.R.S.A. §1546

The cigarette tax is imposed on all cigarettes held in Maine for retail sale. The rate of the tax is 100 mills per cigarette or \$2.00 per pack.

Cigarette Tax

Fiscal Year	General Fund	Total All Funds
2005	\$91,906,017	\$91,906,017
2006	\$151,497,467	\$151,497,467
2007	\$152,957,212	\$152,957,212
2008	\$143,758,002	\$143,758,002
2009	\$137,572,515	\$137,572,515
2010	\$137,799,791	\$137,799,791
2011	\$133,664,535	\$133,664,535
2012	\$129,862,329	\$129,862,329
2013	\$127,396,984	\$127,396,984
2014	\$124,412,320	\$124,412,320

Revenue Notes – Cigarette Tax

Revenue from the Cigarette Tax accrues to the General Fund.

History – Cigarette Tax

Adopted 1941. PL 1941, c. 298, sec. 20 stated that the revenue generated by the tax was appropriated for the payment of old age assistance, less any expenses incurred in assessing the tax. PL 1945, c. 297 provided that the revenue generated from the tax be credited to the General Fund. The table which follows summarizes the cigarette tax rate changes over time since the inception of the tax. PL 1997, c. 560, Part A doubled the tax to 37 mills per cigarette or 74¢ per package of 20 and dedicated

the revenue to the Tobacco Tax Relief Fund (22 M.R.S.A. §1546) effective November 1, 1997. It also required revenue transfers out of the Other Special Revenue Tobacco Tax Relief Fund to support allocations made to the Tobacco Prevention and Control program within the Department of Health and Human Services. This Fund was repealed in PL 1997, c.643, with the repeal date extended to 12-31-98 in PL 1997, c. 750.

Cigarette Tax Rate History Table

Effective date of change	Rate in mills per cigarette	Rate per pack of 20 cigarettes
6/1/41	1	\$.02
7/1/47	2	\$.04
7/1/55	2.5	\$.05
7/1/61	3	\$.06
7/1/65	4	\$.08
7/1/67	4.5	\$.09
6/1/69	6	\$.12
7/1/71	7	\$.14
7/1/74	8	\$.16
9/23/83	10	\$.20
10/1/89	15.5	\$.31
1/1/91	16.5	\$.33
7/1/91	18.5	\$.37
11/1/97	37	\$.74
10/1/01	50	\$1.00
9/19/05	100	\$2.00

TOBACCO PRODUCTS TAX – 36 M.R.S.A. c.704

A tax is imposed on all tobacco products, other than cigarettes, produced or imported for sale in Maine. The tax does not apply to tobacco products exported from Maine. The tax rate for smokeless tobacco, including chewing tobacco and snuff, is \$2.02 per ounce and prorated for fractions of an ounce. The tax rate for other tobacco, including cigars, pipe tobacco and other tobacco intended for smoking is 20% of the wholesale price.

Tobacco Products Tax

Fiscal Year	General Fund	Total All Funds
2005	\$4,444,687	\$4,444,687
2006	\$5,453,903	\$5,453,903
2007	\$5,996,254	\$5,996,254
2008	\$6,741,430	\$6,741,430
2009	\$6,852,197	\$6,852,197
2010	\$11,266,886	\$11,266,886
2011	\$11,564,769	\$11,564,769
2012	\$9,866,817	\$9,866,817
2013	\$10,554,840	\$10,554,840
2014	\$11,747,513	\$11,747,513

Revenue Notes – Tobacco Products Tax

Revenue from the Tobacco Products Tax accrues to the General Fund.

History – Tobacco Products Tax

A similar tax at the rate of 20% of the retail price was in effect from July 1, 1947 to December 31, 1955. The tax on smokeless tobacco was first imposed July 16, 1986 at a rate of 45% of the wholesale price. The rate was increased to 50% on October 1, 1989, 55% on January 1, 1991 and to 62% on July 1, 1991. The rate increased to 78% on October 1, 2005. The tax on other tobacco products was first imposed July 16, 1986 at a rate of 12% of the wholesale price. The rate was increased to 13% on October 1, 1989, to 14% on January 1, 1991 and to 16% on July 1, 1991. The rate increased to 20% on October 1, 2005.

Beginning July 1, 2009, PL 2009, c. 213, Part H changed the tax on smokeless tobacco products to a tax based on weight at the rate of \$2.02 per ounce.

CIGARETTE AND TOBACCO PRODUCTS LICENSE FEES – 36 M.R.S.A. cc. 703-704 & 22 M.R.S.A. c.262-A

The Department of Health and Human Services (DHHS) collects license fee revenue associated with the wholesale and retail sale of cigarettes and tobacco products. Each distributor doing business in Maine must secure a distributor’s license from Maine Revenue Services, for which there is no fee. The Maine Center for Disease Control and Prevention within DHHS licenses the retail sale of cigarettes and tobacco products. The DHHS fee for an annual retail tobacco license is set by the department through rule-making. Fees are established by rule. See table below for current fees.

Retail Tobacco License Fees

License Type	Fee
Retail Tobacco I – Less than 30% annual gross revenue from total cigarette/tobacco sales	\$100
Retail Tobacco II – Between 30% and 50% of annual gross revenue from total cigarette/tobacco sales	\$125
Retail Tobacco III – Greater than 50% of annual gross revenue from total cigarette/tobacco sales	\$150
Seasonal Mobile Tobacco Vendor License	\$50 for the first fair location; \$10 for each additional fair location
Tobacco Vending Machine	\$50 per machine

Cigarette and Tobacco Product License Fees

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$78,521	\$1,725	\$80,246
2006	\$261,200	\$2,800	\$264,000
2007	\$244,640	\$11,338	\$255,978
2008	\$298,521	\$9,463	\$307,984
2009	\$188,536	\$15,525	\$204,061
2010	\$373,305	\$14,055	\$387,360
2011	\$218,594	\$4,820	\$223,414
2012	\$217,788	\$5,768	\$223,555
2013	\$210,236	\$7,763	\$217,999
2014	\$214,450	\$12,661	\$227,111

Revenue Notes – Cigarette and Tobacco Products License Fees

Revenue collected by the Maine Revenue Services through 2002 for the wholesale distribution of cigarettes and tobacco products accrued to the General Fund. Fees for retail licenses collected by DHHS accrued as dedicated revenue to the Maine Center for Disease Control and Prevention through fiscal year 2004. Since fiscal year 2005, the retail license revenue has accrued to the General Fund although a small portion is still accrued as dedicated revenue to the Maine Center for Disease Control and Prevention.

History – Cigarette and Tobacco Products License Fees

Adopted 1941. Amended by PL 1985, c. 783 effective June 1, 1986 to add tobacco products distributors’ license. PL 1995, c. 470 effective September 29, 1995 established the retail license for cigarette and tobacco products with the Department of Health and Human Services, Maine Center for Disease Control and Prevention, and set the fee at up to \$25. PL 2001, c. 526 repealed the Maine Revenue Services distributor license fees effective July 2, 2002. PL 2003, c. 673, Part CC changed the

retail license from a one-time requirement to an annual requirement, and increased the maximum fee from \$25 to \$50. PL 2005, c. 12, Part TT repealed the \$50 maximum fee for a retail tobacco license, and required DHHS to establish a sliding-scale license fee based on the relative size of retail tobacco licensees that generates the same total revenue that a \$100 flat fee would generate.

LIQUOR SALES AND OPERATIONS – 28-A M.R.S.A. §88 and §89

In July 2004, the State signed a ten-year lease with a private entity for the sale and distribution of spirits subject to price regulation by the Bureau of Alcoholic Beverages and Lottery Operations. Throughout the term, the private entity is guaranteed a gross profit baseline percentage of 36.8% of aggregate sales. Revenue sharing with the State is determined on a calendar year basis when profits exceed 36.8%, at which time an amount equal to 50% of the gross profit overage is transferred to the General Fund.

Liquor Sales and Operations Revenue

Fiscal Year	General Fund	Total All Funds
2005	\$49,845,027	\$49,845,027
2006	\$2,560,044	\$2,560,044
2007	\$4,440,935	\$4,440,935
2008	\$5,561,666	\$5,561,666
2009	\$6,220,535	\$6,220,535
2010	\$6,784,941	\$6,784,941
2011	\$7,311,603	\$7,311,603
2012	\$8,049,429	\$8,049,429
2013	\$8,731,159	\$8,731,159
2014	\$10,012,142	\$10,012,142

Revenue Notes – Liquor Sales and Operation

Through fiscal year 2004, the General Fund revenue in this category represents the net profits from liquor sales and operations of the Bureau of Alcoholic Beverages and Lottery Operations transferred to the General Fund. In fiscal year 2004, the General Fund amount includes a \$75,000,000 lease payment in addition to the transfers from the bureau. Fiscal year 2005 reflects an additional \$50,000,000 lease payment partially reduced by a prior period accounting adjustment.

History – Liquor Sales and Operation

The antecedent to the specific Liquor Tax was originally authorized in 1934 with a tax markup determined by the State Liquor Commission for the sale of spirits and wine by the State. Amended in 1937 to provide a tax at \$2.08 per gallon on spirits and 50¢ per gallon on wine. Amended in 1941 to provide a tax markup of at least 61% which was increased in 1955 to 65%, in 1967 to 75% of the “less carload FOB warehouse price” and in 1994 to 65% of delivered case price. Amended in 1998 to set a list price for spirits and fortified wine that would return an additional \$3,000,000 in General Fund revenue above accepted fiscal year 1999 estimates. Amended in 1999 to set the now-titled Liquor Tax to generate an aggregate amount sufficient to return to the General Fund an amount substantially equal to the amount collected in prior fiscal year. As a means of recovering liquor-related costs for state government, the Liquor Tax has now been largely superseded by PL 2003, c. 20, Part LLL which authorized the State to contract with a private entity for the right to distribute spirits for a period of ten years beginning in fiscal year 2005, subject to price regulation by the Bureau of Alcoholic Beverages and Lottery Operations. PL 2013, c. 269 authorized the State to enter into 10-year contracts for warehousing, distribution and spirits administration and spirits trade marketing beginning in fiscal year 2015. This public law also authorized the Maine Municipal Bond Bank to issue revenue bonds, the debt service cost of which would be secured by future net revenue from these contracts. Proceeds from the revenue bonds would be used for the State share of payments to health care providers and drinking water and wastewater projects. The contract for warehousing, distribution and spirits administration was made June 25, 2014 with Pine State Trading Co. at a monthly cost of 4.7% of the total net sales and bailment revenue received by BABLO for the preceding month from the sales and warehousing of spirits. The contract for spirit trade marketing was made October 21, 2014 with Pine State Trading Co. at a monthly cost of 2.25% of total net sales for the preceding month from the sales of spirits

LIQUOR TAXES – 28-A M.R.S.A. Part 4

State Liquor Tax – (28-A M.R.S.A. §1651, Sub-§1). This revenue source is separately described and tabulated in the Liquor Sales and Operations section of this report.

Premium Tax – Spirits – (28-A M.R.S.A. §1703, Sub-§3) A premium is imposed at the rate of \$1.25 per 100 proof gallon for all spirits sold in Maine.

Malt Liquor Tax – (28-A M.R.S.A. §1652, Sub-§1). An excise tax is imposed on the privilege of manufacturing and selling malt liquor in the state. The Maine manufacturer or importing wholesale licensee must pay an excise tax of 35¢ per gallon on all malt liquor sold in the state.

Wine Tax – (28-A M.R.S.A. §1652, Sub-§2). An excise tax is imposed on the privilege of manufacturing and selling wine in Maine. The Maine manufacturer or importing wholesale licensee must pay an excise tax of 60¢ per gallon on all wine other than sparkling wine manufactured in or imported into the state and \$1.24 per gallon on all sparkling wine manufactured in or imported in to the state.

Low-alcohol Spirits Tax – (28-A M.R.S.A. §1365; 28-A M.R.S.A. §1652, Sub-§1-A). An excise tax is imposed on the privilege of manufacturing and selling low-alcohol spirits products and fortified wines in the state. The Maine manufacturer or importing wholesale licensee must pay an excise tax of \$1.24 per gallon on all low-alcohol spirits products and fortified wines manufactured in or imported into Maine.

Liquor Taxes

Fiscal Year	General Fund			Total All Funds
	Excise Tax - Beer & Wine	Premium Tax - Beer & Wine	Premium Tax - Spirits	
2005	\$8,707,404	\$4,034,350	\$1,691,881	\$14,433,635
2006	\$9,557,003	\$4,255,169	\$1,883,756	\$15,695,928
2007	\$10,626,704	\$4,433,643	\$1,915,563	\$16,975,910
2008	\$10,875,923	\$4,575,601	\$1,952,098	\$17,403,622
2009	\$10,812,035	\$4,628,120	\$1,997,405	\$17,437,560
2010	\$10,340,790	\$4,484,944	\$2,038,135	\$16,863,869
2011	\$10,696,046	\$4,674,467	\$2,093,779	\$17,464,292
2012	\$10,477,654	\$4,668,907	\$2,205,539	\$17,352,100
2013	\$10,639,006	\$4,630,057	\$2,248,579	\$17,517,642
2014	\$10,892,007	\$4,743,232	\$2,287,790	\$17,923,029

Revenue Notes – Liquor Taxes

Revenue from Liquor Taxes accrues to the General Fund. The table above provides detail for each of the Liquor Excise Taxes and Premium Taxes. Revenue pertaining to operating costs and sales generated by the specific Liquor Tax and the subsequent leasing agreement with a private entity for the distribution of spirits are now included in the Liquor Sales and Operation section of this report. In fiscal year 2014, deposits were inadvertently made to the bar and wine premium tax, which was corrected in fiscal year 2015.

History – Liquor Taxes

The antecedent to the specific Liquor Tax was originally authorized in 1934 with a tax markup determined by the State Liquor Commission for the sale of spirits and wine by the State. Amended in 1937 to provide a tax at \$2.08 per gallon on spirits and 50¢ per gallon on wine. Amended in 1941 to provide a tax markup of at least 61%, which was increased in 1955 to 65%, in 1967 to 75% of the “less carload FOB warehouse price” and in 1994 to 65% of delivered case price. Amended in 1998 to set a list price for spirits and fortified wine that would return an additional \$3,000,000 in General Fund revenue above accepted fiscal year 1999 estimates. Amended in 1999 to set the now-titled Liquor Tax to generate an aggregate amount sufficient to return to the General Fund an amount substantially equal to the amount collected in prior fiscal year. As a means of recovering liquor-related costs for state government, the Liquor Tax has now been largely superseded by PL 2003, c. 20, part LLL, which

authorized the State to contract with a private entity for the right to distribute spirits for period of 10 years beginning in fiscal year 2005, subject to price regulation by the Bureau of Alcoholic Beverages and Lottery Operations.

The tax on manufacture or importation of malt liquor was originally enacted in 1933 at 5 1/3¢ per gallon, \$1.24 per barrel or varying rates per case based upon the number and volume of bottles per case. Amended in 1969 to remove wine from state sale and markup and impose tax at the same level in the distribution process as for malt liquor. A tax on manufacture and importation of wine at distribution level was enacted in 1969. A tax specific to fortified wine was enacted in 1993 at a rate of \$1 per gallon. A tax specific to low-alcohol spirits was enacted in 1991 at a rate of \$1 per gallon and product tax of 30¢ per gallon.

The alcohol premium was enacted in 1981 on spirits at the rate of 62 ½ ¢ per gallon, malt liquor at the rate of 5¢ per gallon, table wines at the rate of 15¢ per gallon and sparkling wine at the rate of 12¢ per gallon. The premium was doubled in 1986. A premium tax for low-alcohol spirits was added in 1991 and fortified wine was added in 1993, both at a rate of 24¢ per gallon. Premium revenue was originally dedicated to alcohol prevention, education and treatment. Revenue was undedicated in 1990. 28-A M.R.S.A. §1703, subsection 5 requires an appropriation to the Office of Substance Abuse equal to premium revenues. PL 2013, c. 368, Part XXXX eliminates the premium tax on malt liquor, wine, low-alcohol spirits and hard cider and increases the excise tax on these items by the same amount as the premium taxes effective October 1, 2013,

PL 2013, c. 368, Part V transferred the Bureau of Liquor Enforcement, which is responsible for the collection of the malt liquor, wine, low-alcohol spirits and hard cider excise taxes and license fees, from the Department of Public Safety to the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations effective July 1, 2013.

LIQUOR LICENSE FEES – 28-A M.R.S.A. Part 3

In addition to the collection of beer and wine excise taxes, the Department of Public Safety collects a variety of license fees related to the selling and serving of alcoholic beverages. The Bureau of Liquor Enforcement licenses and regulates the operation of approximately 6,000 liquor establishments and 300 agency stores. Table II-2 on the next page provides a comprehensive list of all fees collected by the Bureau of Liquor Enforcement. In addition to the fees listed in Table II-2, the bureau charges a \$10 filing fee for all applications.

Liquor License Fees

Fiscal Year	General Fund	Total All Funds
2005	\$2,998,742	\$2,998,742
2006	\$3,118,805	\$3,118,805
2007	\$3,307,496	\$3,307,496
2008	\$3,269,686	\$3,269,686
2009	\$3,406,817	\$3,406,817
2010	\$3,497,685	\$3,497,685
2011	\$3,552,885	\$3,552,885
2012	\$3,642,095	\$3,642,095
2013	\$3,628,350	\$3,628,350
2014	\$3,592,720	\$3,592,720

Revenue Notes – Liquor License Fees

Revenue from the Liquor License Fees accrues to the General Fund.

History – Liquor License Fees

Liquor license fees were amended by PL 2001, c. 711 which established a fee for reselling agents; PL 2001, c. 20 established a fee for certificates of approval for wine manufacturers who ship less than 120 gallons per year. PL 2009, c. 373 established a wine direct shipper license, PL 2009, c. 438 established a dual liquor license and PL 2009, c. 458 established a hotel minibar license. PL 2011, c. 259 established a special food and beverage taste-testing event license. PL 2013, c. 351 increases the special taste testing festival license fee from \$20 to \$50 effective October 9, 2013. PL 2013, c. 368, Part V transferred the Bureau of Liquor Enforcement, which is responsible for the collection of the malt liquor, wine, low-alcohol spirits and hard cider excise taxes and license fees, from the Department of Public Safety to the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations effective July 1, 2013.

Table II-2 – Liquor License Fee Schedule

License Class	Description	Amount
Retail Sales		
Class I*	Spirituos, Vinous & Malt – Airlines; Auditoriums, Bowling Centers; Civic Auditoriums; Class A Restaurants; Clubs w/ Catering Privileges; Dining Cars & Passenger Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Racquet Clubs; Performing Arts Centers; Qualified Catering Services; & Vessels	\$900
Class I-A*	Spirituos, Vinous & Malt – Hotels – Optional Food	\$1,100
Class II*	Spirituos, Vinous & Malt – Airlines; Auditoriums, Bowling Centers; Civic Auditoriums; Class A Restaurants; Clubs w/ Catering Privileges; Dining Cars & Passenger Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Racquet Clubs; Performing Arts Centers; Qualified Catering Services; & Vessels	\$550
Class III*	Vinous Only – Airlines; Auditoriums; Bed & Breakfasts; Bowling Centers; Civic Dining Cars & Passenger Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Racquet Clubs; Outdoor Stadiums, Performing Arts Centers; Pool Halls; Qualified Catering Services; Restaurants; and Vessels	\$220
Class IV*	Malt Only – Airlines; Auditoriums; Bed and Breakfasts; Bowling Centers; Civic Auditoriums; Class A Restaurants; Clubs with Catering Privileges; Dining Cars & Passenger Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Racquet Clubs; Outdoor Stadiums; Performing Arts Centers; Pool Halls; Qualified Catering Services; Restaurants; Taverns; and Vessels	\$220
Class V*	Spirituos; Vinous & Malt – Clubs w/o Catering Privileges and Bed & Breakfasts	\$495
Class VI*	Off-premise Retailers – Malt Liquor	\$200
Class VI-A*	Off-premise Retailers – Malt Liquor – Ship Chandler w/o groceries or stock	\$200
Class VII*	Off-premise Retailers – Wine	\$200
Class VII-A	Off-premise Retailers – Wine – Ship Chandler w/o groceries or stock	\$200
Class X*	Spirituos, Vinous & Malt – Class A Lounges	\$2,200
Class XI*	Spirituos, Vinous & Malt – Class A Restaurants/Lounges; Off Track Betting Facilities	\$1,500
	Agency Liquor Stores – (Initial License and Transfer Fee)	\$2,000
	Agency Liquor Stores – (Renewal)	\$300
	Incorporated Civic Organizations	\$50
	Special Catering Permits	\$10
	Auxiliary Licenses	\$100
	Bottle Club Registrations	\$50
	B.Y.O.B. Functions	\$10
	Special Taste Testing Festival & Special Food & Beverage Ind. Taste-Testing Event	\$20
	Hotel Minibar License, hotel holding an existing license under Title 28-A, §1061	\$100 plus \$5/room, not to exceed \$900/hotel
	Hotel Minibar License, hotel holding an existing license under Title 30-A, §3811	\$200 plus \$10/room
	Dual Liquor License	\$600
	Wine Direct Shipper License - Initial	\$200
	Wine Direct Shipper License - Renewal	\$50
	Self-Sponsored Event Permit	\$700
Wholesale Licenses		
	Certificates of Approval – Spirituous (Storage Only)	\$600
	Certificates of Approval – Malt	\$1,000
	Certificates of Approval – Wine	\$1,000
	Certificates of Approval – Wine (Less than 120 gallons per year)	\$100
	Wholesale – Malt	\$600
	Wholesale Storage – Malt – monthly	\$50
	Wholesale – Wine	\$600
	Wholesale Storage – Wine – monthly	\$50
	Sales Representative	\$50
	Reselling Agent	\$50
	Small Maine Brewers	\$50
	Distillers & Brewers	\$1,000
	Maine Farm Wineries	\$50
	Rectifiers & Bottlers	\$1,000

* Note: Licenses I-XI require a \$10.00 filing fee.

INSURANCE PREMIUM TAX – 36 M.R.S.A. c. 357

Every insurance company or association doing business or collecting premiums in Maine is liable for a tax at the rate of 2% of gross direct premiums, (1% of long-term health care premiums) including annuity considerations, on all policies written in Maine less allowable deductions. The tax on insurance placed in the surplus lines insurance market is 3%. The tax on qualified group disability plans is 2.55% for large domestic insurers with assets in excess of \$5,000,000,000, and 1% for all other insurers.

Every non-resident insurance company authorized to do business in Maine is liable for a tax on all policies written in Maine, at either the Maine rate or the rate at which a Maine company would be taxed in the American state or Canadian province where the non-resident company is domiciled, whichever is greater. Captive insurers are subject to the corporate income tax instead of the insurance premium tax.

Insurance Premium Tax

Fiscal Year	General Fund	Total All Funds
2005	\$75,669,053	\$75,669,053
2006	\$76,090,900	\$76,090,900
2007	\$74,427,506	\$74,427,506
2008	\$72,292,532	\$72,292,532
2009	\$79,770,431	\$79,770,431
2010	\$80,019,149	\$80,019,149
2011	\$76,930,329	\$76,930,329
2012	\$82,985,771	\$82,985,771
2013	\$79,609,419	\$79,609,419
2014	\$83,203,879	\$83,203,879

Revenue Notes – Insurance Premium Tax

Revenue from the Insurance Premium Tax accrues to the General Fund. Fire Investigation and Prevention Tax is reported separately.

History – Insurance Premium Tax

Adopted in 1874. The rate on domestic companies was increased from 1% to 2% effective July 16, 1986. Amended in 1989 to reduce the rate to 1% of long-term health care premiums effective for tax years after 1988. Amended by PL 1997, c. 496, for tax years commencing on or after 1/1/97, to subject premiums on certain qualified group disability policies written by every insurer, except a large domestic insurer, to a 1% tax. Premiums on such policies written by every large domestic insurers are subject to a tax of 2.55%. PL 1997, c. 435 established reduced rates for non-Maine captive insurance companies. PL 2003, c. 20, Part CC clarified the application of the tax to annuities. PL 2007, c. 240, Part KKKK moved captive insurance companies from the insurance premium tax to the corporate income tax. PL 2011, c. 311 amended surplus lines eligibility standards and nonadmitted insurance premium tax laws to conform to the federal Nonadmitted and Reinsurance Reform Act of 2010. Beginning in 2012, provider fees on service contracts may be excluded from premiums subject to the insurance premiums tax (PL 2011, c. 345).

FIRE INVESTIGATION AND PREVENTION TAX – 25 M.R.S.A. §2399

Every insurance company or association doing business or collecting premiums or assessments in Maine is liable, in addition to the insurance company tax, for a tax at the rate of 1.4% of gross direct premiums for fire risks less allowable deductions. These funds are used to defray expenses incurred by the Commissioner of Public Safety in fire prevention investigation and educating the public in fire safety and to defray the cost of fire training and education programs at the Maine Community College System (20-A M.R.S.A. Chapter 319).

Fire and Investigation Prevention Tax

Fiscal Year	Other Special Revenue Funds	Total All Funds
2005	\$3,866,037	\$3,866,037
2006	\$3,867,755	\$3,867,755
2007	\$4,228,305	\$4,228,305
2008	\$4,772,210	\$4,772,210
2009	\$2,794,476	\$2,794,476
2010	\$3,852,537	\$3,852,537
2011	\$3,460,064	\$3,460,064
2012	\$3,675,715	\$3,675,715
2013	\$3,854,021	\$3,854,021
2014	\$4,535,388	\$4,535,388

Revenue Notes – Fire Investigation and Prevention Tax

Revenue from this tax accrues as dedicated revenue to the Office of the State Fire Marshal within the Department of Public Safety and to the Maine Community College System.

History – Fire Investigation and Prevention Tax

Adopted and first imposed February 17, 1939 at 0.5%. Increased October 3, 1973 to 0.6%. Increased October 24, 1977 to 0.75%. Increased March 10, 1983 to 0.95%. Increased July 17, 1991 to 1.4%. PL 2001, c. 437 implemented a special assessment equal to 0.4% of gross direct premiums in addition to the regular assessment in fiscal year 2002. P&S 2001, c. 67 added a special assessment of 0.6% of gross direct premiums in fiscal year 2003, capped the revenue from the special assessment to \$983,000 in fiscal year 2003 and allowed a credit against insurance premium tax for the amount of the fiscal year 2003 special assessment after July 1, 2003. PL 2003, c. 20, Part Y delayed the insurance premium tax credit until after July 1, 2005.

INSURANCE REGULATORY ASSESSMENTS AND FEES – 24-A M.R.S.A. §§237 & 601 & 24 M.R.S.A. §2332

Every insurance company or health maintenance organization licensed to do business in Maine is subject to an annual assessment by the Bureau of Insurance. The assessment, not to exceed 0.2% of direct premiums written for any biennial period, is in proportion to the direct gross premium written on business in Maine during the year ending December 31st immediately preceding the fiscal year for which an assessment is made. Similarly, every nonprofit hospital or medical service organization and nonprofit health care plan licensed to do business in Maine is also assessed by the Bureau of Insurance. These annual assessments are based on subscription incomes and are not to exceed 0.015% of subscription income for any biennial period. The proceeds from each assessment process are used to support the costs of the Bureau of Insurance. The minimum assessment is \$100.

In addition to the Insurance Regulatory Assessment, the Bureau of Insurance is also authorized to assess a number of license, application, filing and other miscellaneous fees related to its regulation of the insurance industry. The current fee schedule is available at the Department of Professional and Financial Regulation website: http://www.maine.gov/pfr/insurance/company/retaliatory_statement.htm.

Insurance Regulatory Assessments and Fees

Fiscal Year	Other Special Revenue Funds	Total All Funds
2005	\$3,345,493	\$3,345,493
2006	\$12,145,574	\$12,145,574
2007	\$2,117,571	\$2,117,571
2008	\$9,473,951	\$9,473,951
2009	\$2,036,047	\$2,036,047
2010	\$10,375,342	\$10,375,342
2011	\$2,991,140	\$2,991,140
2012	\$12,630,085	\$12,630,085
2013	\$3,013,964	\$3,013,964
2014	\$11,160,597	\$11,160,597

Revenue Notes – Insurance Regulatory Assessments and Fees

Proceeds from insurance regulatory assessments and other insurance license fees accrue as dedicated revenue to the Bureau of Insurance. License renewal fees are biennial, resulting in the biennial fluctuations in fee collections. No insurance regulatory assessments have been made since fiscal year 2000 due to available balances accumulated to support Bureau of Insurance activities.

History – Insurance Regulatory Assessments and Fees

Adopted in 1985. PL 1993, c. 313 increased the assessment amount for insurance companies from 0.15% to 0.2%. PL 1997, c. 79 included health maintenance organizations in the assessment requirement of 24-A M.R.S.A. §237, which formerly applied to insurance companies only.

WORKERS’ COMPENSATION INSURANCE ASSESSMENTS – 39-A M.R.S.A. §154

Each insurance company or entity that is authorized to write workers’ compensation policies in Maine and either does business or collects premiums or assessments pays an annual assessment to the Workers’ Compensation Board Administrative Fund, which provides funding for the board’s administrative and operating costs. Assessments for insurance carriers are based on payroll multiplied by the filed manual rate multiplied by the employer’s current experience modification factor (if applicable). The only deductible credits that may be included in the calculation are (a) the \$1,000 and \$5,000 indemnity deductible, and (b) \$250 and \$500 medical deductible per 24-A M.R.S.A. §2385 and §2385-A.

The assessment is levied by the Workers’ Compensation Board on or before May 1st annually. The assessment is collected from employers by certain insurance companies beginning on July 1st annually. Those insurance companies which have an estimated annual payment of more than \$50,000 may pay the assessment on a quarterly basis on or before the last day of January and April, the 25th day of June and concluding on the last day of October. All insurance companies are required to file an adjusted annual return for the previous fiscal year by September 15th. Insurance companies with an annual assessment estimate of less than \$50,000 are required to pay the entire assessment on or before June 1st of each year. Self-insured employers must pay the assessment on or before June 1st.

The assessments made by the Board must be distributed between insurance companies or associations and self-insured employers in direct proportion to the pro rata share of disabling cases attributable to each group for the most recent calendar year for which data are available. By law, the assessments may not be designed to produce more than a capped amount for any one fiscal year. In fiscal year 2014, the assessment cap was set at \$11,200,000.

Assessments exceeding the applicable amount by a margin of more than 10% must be used to reduce the assessment for the following fiscal year. Any amount collected above the board’s allocated budget and within the 10% margin must be used to create a reserve of up to 25% of the board’s annual budget.

Workers' Compensation Insurance Assessments

Fiscal Year	Other Special Revenue Funds	Total All Funds
2005	\$8,638,815	\$8,638,815
2006	\$8,874,698	\$8,874,698
2007	\$6,370,295	\$6,370,295
2008	\$13,156,356	\$13,156,356
2009	\$5,891,018	\$5,891,018
2010	\$13,311,737	\$13,311,737
2011	\$6,743,516	\$6,743,516
2012	\$11,440,217	\$11,440,217
2013	\$14,722,347	\$14,722,347
2014	\$9,895,283	\$9,895,283

Revenue Notes – Workers’ Compensation Insurance Assessments

Revenue from the workers’ compensation insurance assessments accrue as dedicated revenue. Fiscal year 2004 revenue includes \$1.2 million in fiscal year 2003 assessments and \$3.2 million in fiscal year 2005 assessments. The actual fiscal year 2004 revenue was \$8.4 million.

History – Workers’ Compensation Insurance Assessments

Adopted in 1991. Assessments based on specific percentages with an annual limit of \$2,500,000 became effective as undedicated revenue to the General Fund on July 17, 1991, PL 1991, c. 591. Amended effective January 1, 1993 to dedicate assessments and set an annual limit of \$6,000,000 pursuant to PL 1991, c. 885. Amended 1994 to change assessment requirements and procedures effective April 7, 1994 pursuant to PL 1993, c. 619. Amended effective May 3, 1995 to change assessment requirements and procedures pursuant to PL 1995, c. 59. Amended 1997 to increase assessment limit to \$6,600,000 effective September 19, 1997 to fund the Worker Advocate program pursuant to PL 1997, c. 486. Amended by PL 1999, c. 359 to increase the cap to \$6,735,000 beginning in fiscal year 2000. PL 2001, c. 393 set the assessment cap at \$7,035,000 in fiscal year 2002. PL 2001, c. 692 enacted an assessment cap beginning in fiscal year 2003 of \$6,860,000. PL 2003, c. 425 set the assessment cap at \$8,390,000 in fiscal year 2004, \$8,565,000 in fiscal year 2005 and \$8,525,000 in fiscal year 2006. PL 2007, c. 240, Part LL increased the assessment cap to \$9,820,178 in fiscal year 2008, \$10,000,000 in fiscal year 2009, \$10,400,000 in fiscal year 2010, \$10,800,000 in fiscal year 2011 and \$11,200,000 in fiscal year 2012 and thereafter.

SAFETY EDUCATION AND TRAINING ASSESSMENT – 26 M.R.S.A §61

Each insurance carrier licensed to write workers’ compensation insurance in Maine as well as individual self-insured employers authorized to make workers’ compensation payments directly to employees, who have paid workers’ compensation benefits (excluding medical payments) during an assessment period, typically a calendar year, pays an annual assessment to the Safety Education and Training Fund. The assessment is collected as dedicated revenue by the Department of Labor and deposited into the department’s Safety Education and Training Fund for its safety education and training programs. The total annual assessment is equal to the lesser of either the fiscal year allotment to the Safety Education and Training Fund or 1% of the total workers’ compensation benefits paid. The assessment is levied by the Department of Labor and is based on the percentage of the total assessment base that an individual insurance carrier or self-insured paid out (excluding medical payments). For example, an insurance company that paid out 1% of the total assessment base would be billed 1% of the assessment. The assessment base is the total workers’ compensation benefits paid minus any medical payments.

Safety Education and Training Assessment

Fiscal Year	Other Special Revenue Funds	Total All Funds
2005	\$1,768,890	\$1,768,890
2006	\$2,129,375	\$2,129,375
2007	\$2,249,051	\$2,249,051
2008	\$2,319,624	\$2,319,624
2009	\$1,830,936	\$1,830,936
2010	\$2,106,314	\$2,106,314
2011	\$2,880,306	\$2,880,306
2012	\$1,548,621	\$1,548,621
2013	\$2,347,784	\$2,347,784
2014	\$2,111,582	\$2,111,582

Revenue Notes – Safety Education and Training Assessment

Revenue collected from this assessment accrues as dedicated revenue.

History – Safety Education and Training Assessment

Adopted in 1985 by PL 1985, c. 372.

DIRIGO HEALTH ASSESSMENTS – 24-A M.R.S.A. §6913 (Repealed), 24-A M.R.S.A. §6917

All health insurance carriers, 3rd-party administrators and employee benefit excess insurance carriers must pay an access payment on all paid claims, except claims under accidental injury, specified disease, hospital indemnity, dental, vision, disability income, long-term care, Medicare supplement or other limited benefit health insurance. The amount of the access payment is 2.14% on claims for services provided through June 30, 2011, 1.87% on claims for services provided from July 1, 2011 to June 30, 2012, 1.64% on claims for services provided from July 1, 2012 to June 30, 2013 and 1.14% on claims for services provided from July 1, 2013 to December 31, 2013. No access payment can be charged for any claims for services provided on January 1, 2014 or thereafter.

Dirigo Health Assessments

Fiscal Year	Dirigo Health Enterprise Fund		Total Dirigo Health Enterprise Fund
	Savings Offset Payments	Dirigo Health Access Payments	
2006	\$3,573,156	\$0	\$3,573,156
2007	\$30,330,271	\$0	\$30,330,271
2008	\$21,366,193	\$0	\$21,366,193
2009	\$42,936,388	\$0	\$42,936,388
2010	\$7,138,860	\$36,304,947	\$43,443,807
2011	\$64,715	\$44,364,727	\$44,429,442
2012	\$0	\$38,672,158	\$38,672,158
2013	\$0	\$32,938,700	\$32,938,700
2014	\$0	\$12,091,383	\$12,091,383

Revenue Notes – Dirigo Health Assessments

Revenue from Dirigo Health assessments are deposited in the Dirigo Health Enterprise Fund established in section 24-A M.S.R.A. §6915 and pooled with other revenues of the Dirigo Health program. The Dirigo Health Enterprise Fund is not an operating fund and this revenue source will not appear in the revenue tables in Section III.

History – Dirigo Health Assessments

PL 2003, c. 469 established the savings offset payment as a major funding source for the Dirigo Health program. The aggregate amount of savings offset payments was based on the measurable health cost savings determined to result from the

Dirigo Health program. The payments of up to 4% of health insurance premiums were paid by health insurance carriers, employee benefit excess insurance carriers and third-party administrators. The savings offset payment was repealed in PL 2009, c. 359 and replaced with the Dirigo Health access payment. PL 2011, c. 380, Pt. BBB established a phase-down and, effective January 1, 2014, the repeal of the access payment.

FINANCE INDUSTRY FEES AND ASSESSMENTS – 9-A M.R.S.A. ARTICLE VI & 9-B M.R.S.A., c. 21 & 32 M.R.S.A., c. 105

Consumer Credit Code Fees – 9-A M.R.S.A. §6-203; 10 M.R.S.A §1328(1)(G); 32 M.R.S.A §11031 and other financial regulatory statutes. Every creditor, collection agency, loan broker and credit reporting agency authorized under the provisions of the Maine Consumer Credit Code, or other applicable laws, is required, depending on the type of creditor or organization, to pay certain application, compliance examination and volume fees. The funds received from these various fees are used to support the operating costs of the Bureau of Consumer Credit Protection. Volume fees paid by financial institutions are paid to the Bureau of Financial Institutions. Both agencies are a part of the Department of Professional and Financial Regulation. For additional information about licenses and fees, see the Bureau of Consumer Credit Protection’s website at <http://www.maine.gov/pfr/consumercredit/index.shtml>.

Banking Fees and Assessments – 9-B M.R.S.A. §214. Each state chartered financial institution regulated by the Bureau of Financial Institutions is subject to examination by the bureau at least once in a 36 month period. The regulated financial institution pays for the cost of the examination. In addition, each state chartered financial institution is subject to an assessment at the annual rate of at least 6¢ for each \$1,000 of the total of average assets (the assessment may not be less than \$25). The bureau is also authorized to levy an annual assessment not to exceed \$500 on interstate branches operated by an out-of-state financial institution. The bureau may also receive fees for various applications such as those for new charters, mergers, consolidations and acquisitions. Lastly, non-depository trust companies that are not affiliated with a financial institution are required to pay an annual assessment of at least \$2,000 or an amount not to exceed 12¢ for every \$10,000 in fiduciary assets.

Securities Act Fees – 32 M.R.S.A. c. 69-B (§4696) and c. 135 (§16202, 16203,16302, §16305 & §16410). The Office of Securities within the Department of Professional and Financial Regulation oversees the registration of business opportunities and securities and the licensing of broker-dealers, agents, investment advisers, and investment adviser representatives. The \$30 annual renewal fee for agents and investment adviser representatives, the \$25 registration fee and \$10 renewal fee for business opportunities accrue as dedicated revenue to fund the Office of Securities. The remainder of the fees collected by the office, which include agent initial license fees, broker-dealer fees, investment adviser fees, investment adviser representative initial fees, securities registration and exemption fees, and federal-covered securities notice filing fees, accrue to the General Fund.

Finance Industry Fees and Assessments

Fiscal Year	General Fund	Other Special Revenue Funds			Total All Funds
	Office of Securities	Office of Securities	Bureau of Consumer Credit Protection	Bureau of Financial Institutions	
2005	\$18,641,800	\$1,798,245	\$1,225,668	\$2,056,408	\$23,722,121
2006	\$20,471,110	\$1,895,740	\$1,437,151	\$2,052,574	\$25,856,575
2007	\$22,004,030	\$2,052,920	\$1,426,654	\$2,178,139	\$27,661,743
2008	\$23,638,820	\$2,217,885	\$1,100,934	\$1,975,590	\$28,933,229
2009	\$23,901,210	\$2,228,421	\$1,131,003	\$2,083,325	\$29,343,959
2010	\$23,831,582	\$2,302,705	\$1,218,465	\$2,334,393	\$29,687,146
2011	\$24,688,570	\$2,499,280	\$1,583,020	\$2,205,752	\$30,976,622
2012	\$24,692,010	\$2,740,455	\$1,347,575	\$2,538,147	\$31,318,186
2013	\$25,070,880	\$2,774,525	\$1,795,251	\$2,625,015	\$32,265,671
2014	\$27,199,530	\$2,905,070	\$1,732,017	\$2,664,027	\$34,500,643

Revenue Notes – Finance Industry Fee and Assessments

The revenue generated by the Office of Securities, with the exception of the fees for renewal of securities agents and investment adviser representatives, accrues as General Fund revenue. All other fees and assessments on the finance industry, except the Franchise Tax on Financial Institutions that is included in the Corporate Income Tax, accrue as dedicated revenue to the Bureaus of Financial Institutions or Consumer Credit Protection.

History – Finance Industry Fees and Assessments

Fees pertaining to the Maine Consumer Credit Code were first authorized by PL 1973, c. 762. Since that time, the statutorily-established fees have been increased or decreased a number of times. The assessment on financial institutions was first authorized in 1923 by PL 1923, c. 144; annual assessments were fixed at \$2.50 for every \$100,000 of assets held by the financial institution. Under PL 1975, Chapter 500, the rate of assessment was changed to at least 7¢ for each \$1,000 of average deposits, which was subsequently changed to at least 6¢ for each \$1,000 of average assets. Effective January 18, 2004, assessments for limited-purpose banks that predominantly engage in the business of a nondepository trust company was set by rule at 6¢ for each \$10,000 of assets subject to assessment. Effective January, 2010, nondepository assessment increases to 12¢ for each \$10,000 of assets subject to assessment. Office of Securities rulemaking reduced the annual renewal fee for agents from \$40 to \$30 effective November 23, 2003. PL 2003, c. 673, Part RRR increased the fee for most securities registration filings from \$500 to \$1,000 effective August 1, 2004. PL 2005, c. 12, Part KKKK, increased initial and renewal license fees for broker-dealers to \$250, renewal license fees for investment advisers to \$200, and initial license fees for agents and investment adviser representatives to \$50 effective June 29, 2005. The Maine Uniform Securities Act, PL 2005, c. 65, Part A, effective December 31, 2005, set licensing fee caps and granted the Securities Administrator rulemaking authority to set fees with the caps. With the exception of the investment adviser representative annual renewal fee, which was lowered to \$30 effective December 31, 2005, Office of Securities rulemaking set the fees at the same level that existed under the prior securities act.

HOSPITAL ASSESSMENTS AND TAXES – 36 M.R.S.A. §2801-A (Repealed), 36 M.R.S.A. c. 375 and c. 377

For state fiscal years beginning on or after July 1, 2004 an annual hospital tax is imposed equal to 2.23% of each hospital's net operating revenue as identified in the hospital's audited financial statement for the hospital's taxable year. For state fiscal years beginning on or after July 1, 2013, PL 2013, c. 368, Part QQ, updated the tax base year to the hospital's fiscal year ending during calendar year 2012. The tax base year and rate are fixed thereafter.

Hospital Assessments and Taxes

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$235,022	\$48,907,135	\$49,142,157
2006	\$2	\$54,050,914	\$54,050,916
2007	\$0	\$59,807,056	\$59,807,056
2008	\$0	\$60,515,510	\$60,515,510
2009	\$0	\$69,958,821	\$69,958,821
2010	\$0	\$70,140,794	\$70,140,794
2011	\$4,322,688	\$80,595,499	\$84,918,187
2012	\$0	\$80,909,981	\$80,909,981
2013	\$14,077,897	\$80,942,050	\$95,019,948
2014	\$0	\$97,208,195	\$97,208,195

Revenue Notes – Hospital Assessments and Taxes

When first adopted in 1991, hospital assessment revenue was dedicated to support Medicaid costs. Although the original assessment was repealed in 1998, revenue continued to be collected primarily from outstanding tax liabilities. Effective July 1, 2001, all revenue collected under the original assessment accrued to the General Fund. All revenue from the one-time fiscal year 2003 tax also accrued to the General Fund. Of the \$3,795,726 in General Fund revenue from this source for fiscal year 2003, \$3,509,865 was collected from the new one-time hospital tax, and \$285,861 from collections of outstanding tax liabilities from the original hospital assessment. General Fund collections for fiscal years 2004 and 2005 reflect outstanding tax liabilities from these assessments.

The current hospital tax, effective in fiscal year 2004, accrues as dedicated revenue to support hospital and other MaineCare programs. However, a portion of the proceeds of the tax replaced General Fund appropriations for these purposes.

History – Hospital Assessments and Taxes

Adopted in 1991. A hospital assessment was established by PL 1991, c. 528, Part Q and c. 591, Part Q for hospital payment years ending during or after fiscal year 1992 at a rate of 6% of each hospital's gross patient service revenue limit. State-operated hospitals were initially exempt from this assessment. PL 1995, c. 368, Part RR amended the assessment for hospital payment years that end in fiscal year 1998 to reduce the rate from 6% to 3.56%. PL 1995, c. 665, Part L amended the assessment to include state hospitals. PL 1997, c. 24, Part T amended the assessment for hospital payment years that end in fiscal year 1998 to increase the rate from 3.56% to 5.27%; due to the effective date of the legislation, the rate of 3.56% was never in effect. The assessment was repealed June 30, 1998 by PL 1995, c. 368, Part RR. Following the repeal, PL 2001, c. 358, Part N authorized a transfer of the balance of dedicated revenue as of June 30, 2001 to the General Fund effective July 1, 2001 and required all remaining revenue to accrue to the General Fund. A one-time assessment for fiscal year 2003 was established in PL 2001, c. 714, Part NN. This 0.135% tax was assessed on hospital gross patient services revenue for hospital payment years ending in fiscal year 2000.

The current hospital tax was added in PL 2003, c. 513 and amended in PL 2003, c. 673. The current hospital tax is distinct from the hospital assessment repealed in 1998 and the one-time hospital assessments in effect for fiscal years 2003, 2011 and 2013. For the state fiscal year beginning on July 1, 2003 a tax equal to 0.74% of hospital net operating revenue was imposed. For the state fiscal year beginning July 1, 2004, the tax was increased to 2.23% of hospital net operating revenue for the hospital's fiscal year that ended during calendar year 2002. For the state fiscal year beginning July 1, 2005, the hospital's taxable year was the hospital's fiscal year that ended during calendar year 2003. For the state fiscal years beginning on or after July 1, 2006, the hospital's taxable year was the hospital's fiscal year that ended during calendar year 2004. For state fiscal year beginning on or after July 1, 2008, PL 2007, c. 545, allowed for further growth in the tax base year to the hospital's fiscal year that ended during calendar year 2006. For state fiscal years beginning on or after July 1, 2010, PL 2009, c. 571, Part AAA, updated the base year to the hospital's fiscal year ending during calendar year 2008. For state fiscal years beginning on or after July 1, 2013, PL 2013, c. 368, Part QQ, updated the tax base year to the hospital's fiscal year ending during calendar year 2012. The tax base year and rate are fixed thereafter.

PL 2009, c. 571, Part VV added a one-time hospital assessment effective for state fiscal year 2011 equal to 0.12% of net operating revenue for the each hospital's fiscal year that ended during calendar year 2008. Revenue from this one-time assessment accrued to the General Fund. PL 2011, c.477, Part II added a new one-time assessment effective for fiscal year 2013 equal to 0.39% of net operating revenue as identified on the hospital's most recent audited financial statement for the hospital's fiscal year that ended during calendar year 2008. Revenue from this fiscal year 2013 one-time assessment accrues to the General Fund.

HEALTH CARE PROVIDER TAX – 36 M.R.S.A. c. 373

Beginning October 1, 2011 for any partial facility fiscal year and for whole facility fiscal years beginning on or after October 1, 2011, a tax is imposed against each nursing home at 6% of its annual net operating revenue for the corresponding whole or partial facility fiscal year and for each residential treatment facility at 6% of its annual gross patient services revenue for the corresponding whole or partial facility fiscal year.

Health Care Provider Tax

Fiscal Year	Other Special Revenue Funds	Total All Funds
2005	\$31,200,066	\$31,200,066
2006	\$33,265,910	\$33,265,910
2007	\$31,941,717	\$31,941,717
2008	\$33,162,858	\$33,162,858
2009	\$30,350,060	\$30,350,060
2010	\$34,262,914	\$34,262,914
2011	\$33,545,909	\$33,545,909
2012	\$36,186,532	\$36,186,532
2013	\$37,300,128	\$37,300,128
2014	\$36,046,899	\$36,046,899

Revenue Notes – Health Care Provider Tax

Health Care Provider Tax revenue accrues as dedicated revenue to the Department of Health and Human Services. The nursing home tax is dedicated to support nursing home and other long-term care programs. The residential treatment facilities tax is dedicated for developmental services. In both cases, a part of the proceeds of the taxes replace reductions in General Fund appropriations for these purposes.

History – Health Care Provider Tax

A gross receipts tax on nursing homes was originally enacted in PL 1993, c. 410, Part YY, and was subsequently repealed effective January 1, 1997, pursuant to PL 1995, c. 665, Part E.

The current Health Care Provider Tax was enacted in PL 2001, c. 714, Part CC. The nursing home tax was amended in PL 2003, c. 467 to modify audit and accounting provisions. The residential treatment facilities tax was amended in PL 2003, c. 2, Part GG, to include state-operated facilities.

For facility fiscal years beginning after January 1, 2008, PL 2007, c. 539, Part X decreased the tax rate from 6.0% to 5.5%. This change was made to comply with the provisions of Section 403 of the federal Tax Relief and Health Care Act of 2006 (TRHCA), PL 109-432, that limited Medicaid provider taxes to 5.5% of the revenues received by the taxpayer effective for fiscal years beginning after January 1, 2008 and before October 1, 2011. PL 2011, c. 411 increased the rates back to 6% effective October 1, 2011 consistent with federal law.

HEALTH CARE INSTITUTION LICENSE FEES – 22 M.R.S.A. §1815, §1815-A

Each application for a license to operate a hospital, convalescent home or nursing home must be accompanied by a nonrefundable fee. Each application for a license to operate a nursing facility must be accompanied by an additional nonrefundable surcharge of \$5 for each bed contained with the facility. Each application for a license to operate an ambulatory surgical facility must be accompanied by a fee up to \$500 established by the Department of Health and Human Services on the basis of a sliding scale representing size, number of employees and scope of operations. All licenses issued must be renewed annually accompanied by a like fee. State hospitals are exempt from the licensing fees.

Health Care Institution License Fees

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$446,546	\$0	\$446,546
2006	\$464,782	\$250	\$465,032
2007	\$503,250	\$250	\$503,500
2008	\$424,891	\$0	\$424,891
2009	\$490,405	\$0	\$490,405
2010	\$477,368	\$0	\$477,368
2011	\$441,875	\$250	\$442,125
2012	\$459,687	\$0	\$459,687
2013	\$459,091	\$0	\$459,091
2014	\$488,769	\$250	\$489,019

Revenue Notes – Health Care Institution License Fees

Although the statutes indicate that revenue from Health Care Institutions License Fees accrues to the General Fund, these fees were recorded as dedicated revenue through fiscal year 1998. In fiscal years 1999 and thereafter, some small amounts are still recorded as dedicated revenue.

History – Health Care Institution License Fees

Adopted in 1945. Amended in 1991 by PL 1991, c. 752 to increase the cap on the fee for ambulatory surgical facilities from \$250 to \$500 effective June 30, 1992, and by PL 1991, c. 765 to add a \$5 per bed surcharge for nursing facilities to fund the long-term care ombudsman program. Effective July 1, 2003, PL 2003, c. 20, Part K, Section 4, as amended by PL 2003, c. 507, Part C, increased the annual hospital license fee to \$40 per bed and the nursing facility license fee to \$26 per bed. PL 2011 c. 257, clarified these fees also apply to renewals.

RAILROAD COMPANY TAX – 36 M.R.S.A. c. 361 & 23 M.R.S.A. §7103

An excise tax is levied upon gross transportation receipts. The statutory rate varies from 3.25% to 5.25%, depending on the relation of net railway operating income to gross transportation receipts. The tax is decreased by the amount by which 5 ¾% of operating investment exceeds net railway operating income, but may not be less than ½ of 1% of gross transportation receipts.

Railroad Company Tax

Fiscal Year	General Fund	Other Special Revenue Funds	Multimodal Transportation Fund	Total All Funds
2005	\$398,316	\$150,000	\$0	\$548,316
2006	\$0	\$20,000	\$598,087	\$618,087
2007	\$0	\$0	\$562,415	\$562,415
2008	\$0	\$20,000	\$535,064	\$555,064
2009	\$0	\$0	\$676,013	\$676,013
2010	\$0	\$0	\$348,292	\$348,292
2011	\$0	\$0	\$620,956	\$620,956
2012	\$0	\$0	\$562,388	\$562,388
2013	\$0	\$0	\$625,975	\$625,975
2014	\$0	\$0	\$613,767	\$613,767

Revenue Notes – Railroad Company Tax

Until July 1, 2005, the Railroad Company Tax accrued to the General Fund with the exception of \$150,000 which was annually transferred to the Rail Preservation and Assistance Fund. From July 1, 2005 to September 17, 2005 the entire tax was dedicated to the Rail Preservation and Assistance Fund. After September 17, 2005, the tax accrued to the State Transit, Aviation and Rail Transportation Fund with the exception of \$20,000 annually, which accrued to the Railroad Freight Service Quality Fund. After June 30, 2008, the entire tax accrues to the State Transit, Aviation and Rail Transportation Fund. The

State Transit, Aviation and Rail Transportation Fund (renamed the Multimodal Transportation Fund program in PL 2011, c. 649, Sec. E-13) is an enterprise fund and is not one of the operating funds included in the revenue tables in Section III.

History – Railroad Company Tax

Adopted 1872-1883. Amended in 1951 reducing gross transportation receipts tax by .25%. Amended in 1955 from 2 to 1.75%. Amended in 1961 establishing new minimum rates. Amended in 1972 to 0.9% for 1972 and 0.25% thereafter. Amended to provide that “operating investment” in 1979 and 1982 will include freight car operating leases of 10 years or more. Amended in 1984 to extend the 10-year freight car lease provision for excise taxes payable in 1984 and 1985. Amended in 1985 to extend the 10-year provision to taxes payable in 1986. Amended in 1989 to increase the minimum rate to 0.5%. Amended by PL 2003, c. 498 to require all revenue to be deposited in the Rail Preservation and Assistance Fund beginning July 1, 2005. Amended by PL 2005, c. 457 to require that all revenue except for \$20,000 annually to the Railroad Freight Service Quality Fund be deposited to the State Transit Aviation and Rail Transportation Fund (renamed the Multimodal Transportation Fund program in PL 2011, c. 649, Sec. E-13) effective September 17, 2005. This final provision was repealed 90 days after the adjournment of the Second Regular Session of the 123rd Legislature.

TELECOMMUNICATIONS EXCISE TAX – 36 M.R.S.A. §457 & §458

An excise tax is imposed on telecommunications businesses for the privilege of operating in the state. The State Tax Assessor makes the assessment by March 30th annually and the tax must be paid by August 15th. The State Tax Assessor applies the municipal property tax mill rate to the just value of qualified telecommunications equipment owned or leased by the business adjusted by the certified assessment ratio to calculate the excise tax. This telecommunication equipment is exempt from ordinary local property taxation.

Telecommunications Excise Tax

Fiscal Year	General Fund	Total All Funds
2005	\$25,004,898	\$25,004,898
2006	\$20,627,030	\$20,627,030
2007	\$16,317,029	\$16,317,029
2008	\$16,858,472	\$16,858,472
2009	\$19,536,483	\$19,536,483
2010	\$17,523,926	\$17,523,926
2011	\$17,668,244	\$17,668,244
2012	\$10,869,966	\$10,869,966
2013	\$10,076,113	\$10,076,113
2014	\$6,842,823	\$6,842,823

Revenue Notes – Telecommunications Excise Tax

Revenue from this tax accrues to the General Fund. Through fiscal year 1999, the portion of the revenue from these tax collections not associated with the prepayment was recognized as revenue in the year in which the taxes were levied, although not payable until June 1st of the next fiscal year. The portion of the revenue associated with the prepayment is accounted for on a cash basis in the year that it is paid. With the elimination of the prepayment and the change of the payment date, all revenue from this tax is now accrued and recognized as revenue in the same fiscal year as the assessment.

History – Telecommunications Excise Tax

Originally enacted as a property tax on telephone and telegraph property in 1883. Changed to a tax on gross receipts in 1901. Expanded in 1986 (PL 1985, c. 651) to cover telecommunications. Replaced in 1987 (PL 1987, c. 507) with a tax on telecommunications personal property at the rate of 21 mills in 1988 and 27 mills thereafter. Amended by PL 1991, c. 121 to add a prepayment of ½ of the subsequent year’s tax by June 1st. Amended by PL 1999, c. 731, Part W and PL 1999, c. 732 Part H to eliminate the prepayment and to change the payment date to August 15th. PL 1999, c. 731, Part W also implemented a phased-in reduction of the rate by one mill each year from 27 mills in 2002 until it reaches the rate of 20 mills 2009. PL 2001, c. 559, §H-1 delayed each phased-in reduction by one year. PL 2009, c. 1, Part P changed the rate in 2009 from 20 mills to 22 mills. PL 2009, c. 213, Part P changed the rates for 2010 and 2011 to 22 mills, and further lowered the rates beginning in 2012 to 19 mills in 2012 and 18 mills in 2013 and subsequent years. PL 2011, c. 430 repealed the telecommunications personal property tax and established an excise tax on telecommunications equipment at 19.2 mills in 2012. For fiscal years 2013 and subsequent years, the State Tax Assessor applies the municipal tax rate to the just value of the equipment adjusted by the certified assessment ratio.

PUBLIC UTILITIES ASSESSMENTS – 35-A M.R.S.A. §116, §3211-C, §7104, §7104-B & 26 M.R.S.A. §1419-A

Public Utilities Commission Assessment. Each transmission and distribution, telephone, gas and water utility and ferry regulated by the Public Utilities Commission (PUC) is subject to an annual assessment on its intrastate gross operating revenues. The assessment collected as dedicated revenue accruing to the PUC Regulatory Fund is intended to produce sufficient revenue for allocations to the Fund approved by the Legislature. The PUC sets the assessment annually on May 1st with payment due each July 1st. Revenue from the assessment is recorded when received. The PUC exempts utilities from assessment when gross annual revenues are less than or equal to \$50,000, per 35-A M.R.S.A. §116(1)(E).

The rates for assessments are calculated based on the fiscal year budget of the PUC, which is multiplied by the percentage of time the PUC spends regulating each utility type in the prior fiscal year. Fiscal year 2014 assessment rates and amounts are in the following table:

Utility Type	Percentage of time dedicated by PUC to each Utility Type	Allocated Assessment
Electric	56.849%	\$3,645,416
Gas	14.362%	\$920,957
Telephone	20.637%	\$1,323,338
Water	8.100%	\$519,409
Ferries	0.052%	\$3,334
TOTALS	100%	\$6,412,454

Public Advocate Assessment. Every utility subject to regulation by the PUC is also subject to the Public Advocate Assessment. The dedicated revenue generated by this assessment supports the costs of the Office of the Public Advocate (OPA), and may not exceed the amount allocated by the Legislature for that purpose. The OPA tracks the time it dedicates to each utility type, calculates a percentage that forms the basis for its assessment on intrastate gross operating revenues, and then levies its own assessments on May 1st with payment required by July 1st.

Additionally, the following separate assessments are made:

- Electric Energy Conservation Programs: The PUC assesses transmission and distribution utilities to collect funds for conservation programs and administrative costs, assessed at a rate not to exceed 0.145 cents per kilowatt hour. The responsibility of administering the Conservation Program Fund was transferred to the Efficiency Maine Trust effective July 1, 2010.
- Solar Energy Rebate Program: The PUC assessed transmission and distribution utilities for the solar energy rebate program and the wind rebate program, at a rate not to exceed 0.005 cent per kilowatt hour. The PUC allocated funds between the solar photovoltaic, solar thermal and qualified wind energy rebates, with a minimum of 20% going to each. The responsibility of administering the Solar and Wind Energy Rebate Program and Fund was transferred to the Efficiency Maine Trust effective July 1, 2010. This program was repealed effective January 1, 2011.
- Renewable Resource Research and Development Fund: This program allows retail electricity customers to make contributions to support renewable resource research and development, demonstration community projects that use renewable energy technologies and provide rebates for

cost effective renewable resource technology. The responsibility of administering the Renewable Resource Fund was transferred to the Efficiency Maine Trust effective July 1, 2010.

- Maine Universal Service Fund: The PUC requires telecommunications carriers operating in Maine to contribute to the Maine Universal Service Fund (MUSF), to ensure the availability of telecommunications services throughout Maine at affordable rates. The MUSF uses its resources to provide support to rural local exchange carriers (LECs) which apply for funding. Currently, providers having intrastate retail revenues of \$12,500 or more during the most recent quarter contribute to the fund. The quarterly contribution equals the provider's Maine intrastate revenue for telecommunications services minus the provider's factor for uncollectible amounts that quarter, multiplied by the Revenue Percentage established by calculating a fraction of the MUSF fund costs divided by its total intrastate retail revenue. For prepared wireless telecommunications services, the PUC establishes a fix dollar amount per retail transaction by multiplying \$25 by a percentage determined in rule by the PUC. The fee is collected by sellers of prepaid wireless telecommunication services pursuant to 35-A M.R.S.A. § 7104-B and remitted to the State Tax Assessor as part of the "prepaid wireless fee" further described below.
- Telecommunications Education Access Fund: The PUC requires telecommunications carriers operating in Maine with \$12,500 or more in quarterly intrastate retail revenues to contribute to the Telecommunications Education Access Fund, with a deduction for any uncollectible amounts to be applied against the amount assessed. The PUC establishes a percentage for the assessment by May 1st of each year. The amount of the assessment is capped by 35-A M.R.S.A. § 7104-B. For prepared wireless telecommunications services, the PUC establishes a fix dollar amount per retail transaction by multiplying \$25 by a percentage determined in rule by the PUC. The fee is collected by sellers of prepaid wireless telecommunication services pursuant to 35-A M.R.S.A. § 7104-B and remitted to the State Tax Assessor as part of the "prepaid wireless fee" further described below.
- Prepaid Wireless Fee Fund: The PUC establishes a "prepaid wireless fee" imposed on prepaid wireless telecommunications services, which includes fees to be contributed to the Maine Universal Service Fund and the Telecommunications Education Access Fund, and the E-9-1-1 surcharge further described below. Sellers of prepaid wireless service are required to collect the fees and surcharge for each retail transaction occurring in the State and remit them to the State Tax Assessor in the same manner as the sales tax. The amount of the prepaid wireless fee must appear separately on an invoice or receipt, when practicable. State Tax Assessor remits the fees and surcharges to the PUC for distribution to the E-9-1-1 fund, Maine Universal Service Fund and the Telecommunications Education Access Fund.

Public Utilities Assessments

Fiscal Year	Other Special Revenue Funds		Total All Funds
	PUC Assessments	Public Advocate Assessment	
2005	\$14,590,190	\$2,092,762	\$16,682,952
2006	\$15,477,789	\$1,605,101	\$17,082,890
2007	\$14,389,587	\$1,552,310	\$15,941,897
2008	\$22,701,673	\$1,571,293	\$24,272,966
2009	\$19,491,308	\$1,719,482	\$21,210,790
2010	\$20,327,675	\$1,690,150	\$22,017,825
2011	\$21,799,593	\$1,716,560	\$23,516,153
2012	\$18,434,113	\$1,713,582	\$20,147,695
2013	\$19,784,607	\$1,618,389	\$21,402,996
2014	\$23,567,736	\$1,624,767	\$25,192,503

Revenue Notes – Public Utilities Assessments

The revenues generated by the PUC assessment, the Electric Conservation Programs assessment, the Solar Energy Rebate Program assessment and the Public Advocate assessment accrue as dedicated revenue. The amounts above do not reflect assessments retained by utilities, such as the Maine Universal Service Fund assessment, the contributions to the Telecommunications Education Access Fund and contributions to the Prepaid Wireless Fee Fund.

History – Public Utilities Assessments

Adopted in 1979. Original PUC assessment was established by PL 1979, c. 427 at no more than .2% of intrastate gross operating revenues of each regulated utility with total annual revenues not to exceed \$150,000. Amended several times since to increase the percentage of intrastate gross operating revenues and to increase the maximum annual revenues. In PL 2007, c. 16, the assessment cap for the PUC was replaced with language that allows the PUC to set the assessment annually to provide sufficient revenue for the level of expenditures allocated by the Legislature for operating the PUC. On April 12, 2012, the Legislature enacted PL 2011, c. 623 exempting all telecommunications carriers, except those providing Provider of Last Resort (POLR) service, from regulation effective August 30, 2012.

The assessment for the Office of the Public Advocate was adopted by PL 1989, c. 571, Part A and was limited to no more than \$189,000 in fiscal year 1990 with a repeal date of June 30, 1990. Amended several times since to increase the amount of the assessment. PL 1997, c. 424 amended the Public Advocate Assessment to remove the specific dollar amount and fiscal year references, and authorized the assessment at a level sufficient to support the legislative allocations for the Public Advocate in any given fiscal year. PL 2001, c. 28 §1 authorized the Public Advocate to utilize unexpended funds in excess of 10% of the total annual assessment authorized that were carried forward at the end of fiscal years 2001 and 2002 instead of reducing the utility assessment.

The Conservation Program Fund was created in 2002 by PL 2001, c. 624. Revenues for this fund are generated by an assessment on transmission and distribution utilities. The current level of the assessment is not to exceed 0.145 cent per kilowatt hour established by PL 2005, c.459. In 2007, an additional assessment was authorized under 35-A M.R.S.A. §3211-A subsection (4-A) which allowed the PUC to assess transmission and distribution utilities “as necessary to realize all available efficiency and demand reduction resources in the state that are cost-effective, reliable and feasible ...” (PL 2007, c. 317); this provision has now been repealed and replaced, transferring this authority to the Efficiency Maine Trust.

The Solar Energy Rebate Program Fund was created by PL 2005, c. 459. The Solar Energy Rebate Program and Fund statute, 35-A M.R.S.A. section 3211-C, was scheduled to be repealed on December 31, 2008. PL 2007, c. 158 extended the sunset date for the Solar Energy Rebate Program to December 31, 2010. PL 2007, Ch. 661 created a wind rebate program.

The Renewable Resource Fund was created by PL 1999, c. 372 to allow retail customers of electricity to make voluntary contributions to fund renewable research and development and fund community demonstration projects using renewable energy technologies. The Fund was initially administered by the State Planning Office. In 2007, administration of the Fund was transferred from the State Planning Office to the PUC. (PL 2007, c. 18).

The Maine Universal Service Fund (MUSF) was inaugurated pursuant to Chapter 288 of the PUC’s rules, as per PL 1997, c. 692. PL 2005, c. 131 authorized the PUC to require contributions to the Maine Universal Service Fund to support public interest pay phones. PL 2005, c. 305 authorized the PUC to require contributions to the Maine Universal Service Fund to support telecommunications relay services. In 2006, Resolve 2005, c. 141 directed the PUC to allocate funds from the Maine

Universal Service Fund on a one-time basis to hire an independent consultant to conduct a needs assessment regarding the telecommunications needs of federally qualified health centers and to assist federally qualified health centers in applying for funding from the federal universal Service Fund under the Federal Communication Commission’s Rural Health Care program.

In 2004, PL 2003, c. 553 created the Communication Equipment Fund and directed the PUC to transfer money from the Maine Universal Service Fund to capitalize the Fund. PL 2005, c. 336 authorized the PUC to require contributions to the Maine Universal Service Fund to support emergency alert telecommunication service through a transfer of funds from the Maine Universal Service Fund to the Communication Equipment Fund. In PL 2007, c. 224, the Legislature adopted changes to the funding levels for the specific programs supported by the Communication Equipment Fund.

The Telecommunications Education Access Fund was authorized in 1996 by PL 1995, c. 631

PL 2009, c. 372 transferred the responsibility for administering the Conservation Program Fund, the Solar and Wind Energy Rebate Program and the Renewable Resource Fund to the Efficiency Maine Trust effective July 1, 2010. This law repealed the Solar and Wind Energy Rebate Program effective January 1, 2011.

PL 2011, c. 600 established the Prepaid Wireless Fee Fund beginning January 1, 2013.

E-9-1-1 SURCHARGE – 25 M.R.S.A. §2927

A surcharge is assessed on each residence and business telephone exchange line, including private branch exchange (PBX) lines and Centrex lines, cellular or wireless telecommunications service customers, including prepaid wireless telecommunications service customers, interconnected Voice over Internet Protocol (VoIP) service customers, and semi-public coin and public access lines. This surcharge is limited to not more than 25 lines or numbers per customer billing account, except that this limitation does not apply to prepaid wireless telecommunications services. The revenue generated by the surcharge supports the implementation, operation and management of a statewide emergency E-9-1-1 telephone system, and is administered by the Emergency Services Communication Bureau within the Public Utilities Commission (PUC). The surcharge is currently 45¢ per line per month.

E-9-1-1 Surcharge

Fiscal Year	Other Special Revenue Funds	Total All Funds
2005	\$8,279,202	\$8,279,202
2006	\$8,244,839	\$8,244,839
2007	\$8,499,625	\$8,499,625
2008	\$8,412,478	\$8,412,478
2009	\$5,552,688	\$5,552,688
2010	\$6,798,439	\$6,798,439
2011	\$8,370,233	\$8,370,233
2012	\$8,400,352	\$8,400,352
2013	\$8,195,726	\$8,195,726
2014	\$7,239,356	\$7,239,356

Revenue Notes – E-9-1-1 Surcharge

This revenue is dedicated to support a statewide E-9-1-1 system administered by the Emergency Services Communication Bureau within the PUC.

History – E-9-1-1 Surcharge

Adopted in 1994. The E-9-1-1 surcharge was established by PL 1993, c. 566 at a rate of 2¢ per month per line beginning on August 1, 1995. PL 1995, c. 672 continued the surcharge at 2¢ until August 1, 1996, when it was increased to 20¢ per month per line. The surcharge was increased by PL 1997, c. 409 to a rate of 32¢ per month per line or number effective on August 1, 1998. The surcharge was repealed effective September 18, 1999 through a sunset provision included in PL 1997, c. 409. PL 1999, c. 651 reinstated the E-9-1-1 surcharge effective April 10, 2000 at a rate of 32¢ per month per line or number. PL 2001, c. 439 Part EEEE increased the surcharge to 50¢ per month per line or number until 90 days following adjournment of the First Regular Session of the 121st Legislature, after which it returned to 32¢ per month per line or number. PL 2003, c. 359 repealed

the return to 32¢ per month per line or number and retained the 50¢ surcharge per month per line or number. PL 2007, c. 68 extended the scope of the surcharge to subscribers of prepaid wireless service and VoIP services. PL 2007, c. 637 reduced the surcharge from 50¢ to 30¢ per month per line or number or, in the case of prepaid wireless telecommunications services, 30¢ per month or 30-day increment of service per customer. PL 2009, c. 416 increased the surcharge to 37¢ per line per month effective July 1, 2009 and 52¢ per line per month beginning July 1, 2010, but the 52¢ surcharge was scaled back to 45¢ per line per month by PL 2009, c. 617. PL 2009, c. 400 changed the application of the surcharge for prepaid wireless telecommunications service from per month or 30-day increment of service per customer to per retail transaction. Beginning January 1, 2013, PL 2011, c. 600 requires the PUC to deposit the surcharge for prepaid wireless telecommunications service into Prepaid Wireless Fee Fund as part of the “prepaid wireless fee.” Within 30 days of receipt, the portion of prepaid wireless fees attributable to the E-9-1-1 surcharge is deposited into the account established pursuant to Title 25, section 2927, subsection 1-H.

REAL ESTATE TRANSFER TAX – 36 M.R.S.A. c. 711-A

A tax is imposed on each deed transferring title to real property in Maine and on the transfer of any controlling interest in an entity with a fee interest in real property in Maine, at the rate of \$2.20 for each \$500 or fractional part of the value of the real property. There are certain exemptions.

Of the total tax, 50% is imposed on the grantor (seller) and 50% is imposed on the grantee (purchaser). Ninety percent of the tax collected during the previous month is forwarded by each Registrar of Deeds to the State Tax Assessor. The remaining 10% is retained by the county and accounted for as reimbursement for services rendered in collecting the tax.

Of the 90% that is forwarded to the State, 50% is credited to the Maine State Housing Authority’s Housing Opportunities for Maine (HOME) Fund as Other Special Revenue Funds established by 30-A M.R.S.A. §4853, and 50% is credited to Maine State Housing Authority’s Maine Energy, Housing and Economic Recovery Fund as Other Special Revenue Funds established by 30-A M.R.S.A. §4863 beginning fiscal year 2012. Once the amount credited to the Maine Energy, Housing and Economic Recovery Fund equals the amount certified by Maine State Housing Authority for bond obligations, the remainder is credited to the General Fund. Beginning July 1, 2002, transfers of controlling interests in entities owning real property are subject to the same tax on the value of the real property owned. After deduction of the 10% county share, the remaining 90% of proceeds from the tax on the transfers of controlling interests accrues to the General Fund. Beginning June 15, 2010, real estate transfer taxes are imposed on the purchase and sale of foreclosure properties and the tax on the purchase and sale of foreclosed properties is dedicated to the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection to fund its statewide outreach and housing counseling services. In fiscal years 2004 through 2015, a portion of the revenue attributable to the tax on transfer of real property that would ordinarily be credited to the HOME Fund is credited to the General Fund as follows in the table below:

Fiscal Year	Transfer to General Fund from HOME Fund share
2005	\$7,500,000
2006	\$7,500,000
2007	\$7,687,067
2008	\$5,000,000
2009	\$8,062,414
2010	\$3,320,000
2011	\$3,720,000
2012	\$3,830,000
2013	\$3,950,000
2014	\$2,510,964
2015	\$4,038,104

Real Estate Transfer Tax

Fiscal Year	General Fund	Other Special Revenue Funds			Total All Funds
		HOME Fund	Bureau of Consumer Credit Protection	Energy Housing and Economic Recovery Fund	
2005	\$24,113,439	\$8,881,845	\$0	\$0	\$32,995,284
2006	\$24,595,580	\$9,356,426	\$0	\$0	\$33,952,006
2007	\$22,206,638	\$7,281,652	\$0	\$0	\$29,488,291
2008	\$17,465,240	\$7,154,896	\$0	\$0	\$24,620,136
2009	\$17,184,746	\$602,680	\$0	\$0	\$17,787,426
2010	\$12,181,181	\$5,418,751	\$1,583,850	\$0	\$19,183,782
2011	\$13,815,942	\$5,089,783	\$713,796	\$0	\$19,619,521
2012	\$8,934,936	\$4,808,591	\$592,631	\$4,305,635	\$18,641,792
2013	\$11,667,284	\$5,858,149	\$607,035	\$4,316,212	\$22,448,680
2014	\$10,695,215	\$9,122,961	\$639,265	\$4,319,197	\$24,776,638

Revenue Notes – Real Estate Transfer Tax

Year-end accrual of the Real Estate Transfer Tax began at the end of fiscal year 2000. As noted above, the Real Estate Transfer Tax accrues to the HOME Fund and the Maine Energy, Housing and Economic Recovery Fund. Once the amount in the Maine Energy, Housing and Economic Recovery Fund equals the amount certified by Maine State Housing Authority for bond obligations any remaining revenue accrues to General Fund. Revenue derived from the tax imposed on the transfer of controlling interest in real property accrues to the General Fund. Beginning in fiscal year 2010, revenues derived from the tax imposed on the transfer of property due to a foreclosure accrue to the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection as Other Special Revenue Funds for the purpose of providing statewide outreach and housing counseling services together with the Maine State Housing Authority.

History – Real Estate Transfer Tax

The Real Estate Transfer Tax was originally established by P& S 1967, c. 154. Originally enacted as 36 M.R.S.A. c. 712, it was repealed and replaced by c. 711-A. The tax applied to the transfer of title to real property at a rate of \$1 for transfers between \$251 and \$500 and 55¢ for each \$500 or fraction thereof, payable by the grantee. Ninety percent of the total revenue collected was forwarded to the State for deposit in the General Fund, and the remaining 10% was retained by the county. PL 1975, c. 572 repealed and replaced those provisions with a Real Estate Transfer Tax at a rate of 55¢ for each \$500 or fraction thereof, payable by the grantor. Eighty-five percent of the total revenue was forwarded to the State for deposit in the General Fund, and the remaining 15% was retained by the county. The tax was amended by PL 1983, c. 859 to increase the rate of tax from 55¢ to \$1.10 per \$500, and to change the distribution of total revenues to 90% for the State and 10% for the counties. PL 1985, c. 381 amended the tax to make both the grantee and grantor subject to the tax, and to distribute the 90% of total revenue forwarded to the state equally between the General Fund and the HOME fund. PL 1993, c.398, §2 increased the tax rate to \$2.20 for each \$500 of property value.

The distribution of the 90% of total revenue forwarded to the state has been amended several times. PL 1991, c. 591, Part P, PL 1991, c. 622, Part K, PL 1993, c. 6, Part D, PL 1993, c. 410, Part C, PL 1995, c. 368, Part K, PL 1997, c. 24, Part C and PL 1997, c. 759 all modified the distribution between the General Fund and the HOME Fund. PL 2001, c. 439, Part XXX provided for a transfer of up to \$200,000 of the General Fund portion of revenues to the Community Forestry Fund. PL 2001, c. 559, Part I repealed the Community Forestry Fund transfer provisions and added transfers of controlling interests to the tax beginning July 1, 2002. Revenue generated by the transfer of controlling interests is credited to the General Fund and is not subject to distribution to the HOME fund.

Other changes to the distribution of the State’s share include PL 2003, c. 20, Part V, PL 2005, c. 12, Part H, which amended the distribution for fiscal years 2004 through 2007 to provide that the General Fund portion of the 90% paid to the State is \$7,500,000 plus 50% of the remaining revenue, and PL 2005, c. 644, which amended the distribution in fiscal year 2007 to provide a General Fund share of \$7,687,067 plus 50% of the remaining revenue. PL 2007, c. 240, Part H amended the distribution for fiscal years 2008 and 2009. PL 2007, c. 539, Part WW amended the distribution formula through fiscal year 2013. PL 2009, c. 372, Part E established the Maine Energy, Housing and Economic Recovery Program within the Maine State Housing Authority, and authorized the use of the General Fund portion of the Real Estate Transfer Tax to pay for the Maine State Housing Authority’s obligations relating to bonds issued or planned to be issued, beginning in fiscal year 2012.

PL 2009, c. 402, effective June 15, 2009 applied the real estate transfer tax to foreclosed properties and dedicated the revenue from the tax on these properties to the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection, in order to provide housing counseling services and mortgage assistance to financially distressed home owners. PL 2011, c. 453 continued to transfer to the General Fund a portion of the Real Estate Transfer Tax that would otherwise accrue to the HOME fund in fiscal years 2013 and 2014 as an offset for General Fund revenue expenditures for extending the Maine historic preservation tax credit. PL 2013, c. 368 Part U also continues to transfer to the General Fund a portion of the Real Estate Transfer Tax that would otherwise accrue to the HOME fund in fiscal years 2014 and 2015, as do PL 2013 c. 502 Part T and c. 595 Part V.

UNORGANIZED TERRITORY TAXES – 36 M.R.S.A. c. 115

The Unorganized Territory Educational and Services Tax. The Unorganized Territory Educational and Services Tax is levied upon non-exempt real and personal property located in the Unorganized Territory Tax District as of April 1st of each year for the purpose of funding municipal-type services in the unorganized territory. The Unorganized Territory Tax District includes all of the unorganized territory of the State of Maine. The tax is computed and apportioned on the basis of the State Tax Assessor’s determination of the value of the property. The tax rate is calculated to raise the municipal cost component and the unorganized territory’s portion of the county tax. The municipal cost component is the cost of funding services in the Unorganized Territory Tax District that would not be borne by the State if the Unorganized Territory Tax District were a municipality. The municipal cost component is comprised of the following categories of services provided for the Unorganized Territory: fiscal administration; land use regulation; property tax assessment; county reimbursement for services; education; forest fire protection; and general assistance. The Legislature determines the municipal cost component for the next fiscal year. The State Tax Assessor computes the mill rates for the Unorganized Territory Educational and Services tax. A mill rate is calculated for the unorganized territory in each county based on the cost of statewide services plus county services plus county tax.

Revenue from this tax is credited to the Unorganized Territory Educational and Services Fund which is used to reimburse the state and county governments for the cost of providing municipal services in the Unorganized Territory and to pay the county tax.

Other Unorganized Territory Taxes. The State also collects excise taxes in the Unorganized Territory on motor vehicles, watercraft and aircraft. These revenues are distributed to counties quarterly and applied toward the cost of municipal-type services.

Unorganized Territory Taxes

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$10,622,666	\$7,759,063	\$18,381,729
2006	\$11,559,305	\$8,983,844	\$20,543,149
2007	\$11,376,293	\$9,548,152	\$20,924,445
2008	\$12,217,081	\$8,184,347	\$20,401,428
2009	\$12,633,755	\$9,549,049	\$22,182,804
2010	\$13,217,886	\$14,971,669	\$28,189,555
2011	\$13,381,506	\$14,464,021	\$27,845,528
2012	\$10,726,997	\$16,762,565	\$27,489,562
2013	\$13,333,294	\$14,598,842	\$27,932,136
2014	\$12,448,487	\$15,849,948	\$28,298,436

Revenue Notes – Unorganized Territory Taxes

General Fund amounts above reflect amounts transferred to the General Fund each year as reimbursement for the General Fund costs of the municipal cost component. The Other Special Revenue Funds include 3 primary categories. The first, “Unorganized Territory Taxes,” includes the amounts collected for the municipal cost component. A portion of the amount is retained by the State for certain administrative costs within the Department of Audit and Maine Revenue Services. The remainder represents the county taxes collected by the State and distributed to the counties. The third category, “Other Unorganized Territory Taxes,” is comprised of the excise taxes on motor vehicles, watercraft and aircraft, which are distributed to the counties quarterly.

History – Unorganized Territory Taxes – History

Enacted in 1978 by PL 1977, c. 698. Administrative provisions amended by PL 1985, c. 458.

COMMERCIAL FORESTRY EXCISE TAX – 36 M.R.S.A. c. 367

This tax is assessed at a fixed amount per acre against owners of more than 500 acres of forested land in Maine. The tax funds 40% of the costs of the State’s forest fire protection activities. The tax is determined by the State Tax Assessor from information provided and certified by the Commissioner of the Department of Agriculture, Conservation and Forestry. That information includes the current fiscal year’s appropriations and allocations for, and anticipated revenues from, forest fire protection. It also includes adjustments based on the preceding fiscal year’s actual expenditures and revenues from forest fire protection. For fiscal year 2011, an additional one-time special assessment of \$400,000 was added to the regular assessment.

Commercial Forestry Excise Tax

Fiscal Year	General Fund	Total All Funds
2005	\$2,890,635	\$2,890,635
2006	\$2,888,700	\$2,888,700
2007	\$3,851,783	\$3,851,783
2008	\$3,499,962	\$3,499,962
2009	\$3,452,531	\$3,452,531
2010	\$3,481,145	\$3,481,145
2011	\$3,501,277	\$3,501,277
2012	\$3,586,005	\$3,586,005
2013	\$2,808,129	\$2,808,129
2014	\$2,424,811	\$2,424,811

Revenue Notes – Commercial Forestry Excise Tax

Revenue from the Commercial Forestry Excise Tax accrues to the General Fund.

History – Commercial Forestry Excise Tax

Adopted in 1985, c. 514, to replace the “Forest Fire Suppression Tax” (which, in turn, replaced the Forest District Tax formerly in the Unorganized Territory and selected adjoining towns and plantations). For fiscal year 1986, the tax assessment was determined by dividing \$9,827,150 by the total number of adjusted acres of commercial forestland, rounded to the nearest 1/10 of a cent and multiplying by the number of adjusted acres owned by each taxpayer. For fiscal years 1987-1995, the tax raised 50% of the costs of forest fire suppression; for fiscal year 1996, 45% of the costs; and for fiscal year 1997 and thereafter 40% of the costs. PL 2009, c. 571, Part BBBB added a one-time special assessment of \$400,000 in fiscal year 2011.

SPRUCE BUDWORM MANAGEMENT TAX – 12 M.R.S.A. §8427

The Spruce Fir Forest Protection District consists of land that has been accepted for silvicultural treatment designation under 12 M.R.S.A. §8424. Lands submitted remain under the jurisdiction of the Act for five years. Persons owning parcels of forest land within the Spruce Fir Forest Protection District are subject to pre-project and post-project excise taxes for the privilege of owning and operating such forest land. The pre-project excise tax is computed by multiplying the ratio of the planned spray acres for each landowner

to the total planned spray acres for all landowners controlling 1% or more of the spray acres in the project by the total project cost. The post-project excise tax is designed to raise 90% of the state cost of each year's program from the owners of forest land actually sprayed, and 10% from all taxable acres in the Spruce Fir Forest Protection District. The amount of the post-project excise tax payable by each landowner is reduced by the amount of the pre-project excise taxes payable for the calendar year.

With the decline of spruce budworm populations in the mid-1980's, no new acreage was submitted to the District. There are presently no parcels enrolled in the District. Although there is no immediate need for this mechanism, the Act remains in effect.

Revenue Notes – Spruce Budworm Management Tax

Revenue from the Spruce Budworm Management Tax accrues as dedicated revenue to the Department of Agriculture, Conservation and Forestry. This tax has not generated or affected revenue collections since 1989.

History – Spruce Budworm Management Tax

Enacted by PL 1975, c. 764, initially the Spruce Budworm Management tax was established at 37¢ per applicable softwood acre in 1978; 38¢ per softwood acre in 1979 and 18.5¢ per mixed wood acre in 1978 and 19¢ in 1979. Amended by PL 1979, c. 545 to change the tax per softwood acre to 37¢ for 1978, \$1.24 for 1979 and 35¢ for 1980 and 1981; the tax per mixed wood acre was changed to 62¢ for 1979 and 17.5¢ for 1980 and 1981. Amended by PL 1979, c. 737 to delineate a pre-project excise tax of \$1.45 per softwood acre for 1980 and 1981 and 72.5¢ per mixed wood acre for 1980 and 1981 and a post-project excise tax to be computed on the basis of past cost and actual need. For the years after 1981, PL 1979, c. 737 established a pre-project and post-project tax structure in which the total amount collected is based largely on current costs.

CORPORATION FEES AND LICENSES – 10 M.R.S.A. Chapter 301-A, 13 M.R.S.A., 13-B M.R.S.A., 13-C M.R.S.A. & 31 M.R.S.A., Chapters 13, 15, 17, 19 and 21.

The Bureau of Corporations, Elections and Commissions within the Department of the Secretary of State collects filing fees from business corporations, non-profit corporations, limited partnerships, limited liability companies and limited liability partnerships, trade or service mark and various other filing fees. These filings include:

- filing for reserving or registering an entity name;
- filing articles or certificates of incorporation or organization;
- filing an application for new/renewal of a mark;
- filing a change of clerk, registered agent and/or registered office address;
- filing for mergers, conversions, domestications, dissolutions, or revivals;
- filing annual reports, or applications for excuse from filing annual reports;
- filing for certificates of resumption of business;
- payment of late filing penalties and reinstatement fees for failure to file annual reports;
- filing for doing business under an assumed name or fictitious name; and
- filing for other changes to information on file for these entities.

Filing fees collected by the Department of the Secretary of State range from \$2.00 per page for a copy of any document on file to \$250.00 for filing an application to transact business by a foreign (out of state or country) business entity. The current fee schedule is available from the Office of Fiscal and Program Review or from the Department of the Secretary of State website at <http://www.maine.gov/sos/cec/corp/>.

Corporation Fees and Licenses

Fiscal Year	General Fund	Total All Funds
2005	\$6,884,833	\$6,884,833
2006	\$7,710,325	\$7,710,325
2007	\$7,935,294	\$7,935,294
2008	\$7,969,156	\$7,969,156
2009	\$7,931,072	\$7,931,072
2010	\$8,168,981	\$8,168,981
2011	\$8,479,743	\$8,479,743
2012	\$8,496,444	\$8,496,444
2013	\$8,933,147	\$8,933,147
2014	\$9,294,995	\$9,294,995

Revenue Notes – Corporate Filing Fees

Revenue generated from Corporate Filing Fees, which includes all revenue from the business entity and non-profit corporation filing fees described above, accrues to the General Fund.

PROFESSIONAL AND OCCUPATIONAL LICENSING FEES – 32 M.R.S.A.

The Department of Professional and Financial Regulation has responsibility for the direct administration of 5 professions, 31 professional licensing boards internal to the department and 6 professional licensing boards affiliated with the department. There are dedicated fees connected with each statutorily regulated profession. A complete list of these fees, as well as fees for professions regulated by other organizational units with the department, is available from the Department of Professional and Financial Regulation.

Professional and Occupational Licensing Fees

Fiscal Year	Other Special Revenue Funds	Total All Funds
2005	\$11,720,978	\$11,720,978
2006	\$13,309,213	\$13,309,213
2007	\$12,363,065	\$12,363,065
2008	\$13,407,748	\$13,407,748
2009	\$12,825,883	\$12,825,883
2010	\$12,678,149	\$12,678,149
2011	\$13,161,538	\$13,161,538
2012	\$13,921,850	\$13,921,850
2013	\$13,569,773	\$13,569,773
2014	\$14,013,486	\$14,013,486

Revenue Notes – Professional and Occupational Licensing Fees

The revenue amounts above include revenue from a number of occupation and professional license fees, not otherwise classified within this report including a small amount of revenue collected by departments and agencies other than the Department of Professional and Financial Regulation.

MILK HANDLING FEE – 36 M.R.S.A. §4902

A fee is imposed on the handling of packaged milk for retail sale in Maine. The fee rate is determined monthly in relation to the price of milk. The fee ranges from \$0.04 per gallon when the price of milk is \$21.00 per hundredweight or more to \$0.36 per gallon when the price of milk is \$16.50 to \$16.99 per hundredweight. If the basic price falls below \$16.50 per hundredweight, then for each \$.50 decrease in the basic price, the rate of the milk handling fee increases by \$.04 per gallon until the handling fee reaches

a maximum of \$.84 per gallon. There is no fee on the handling in Maine of packaged milk for sale in containers that are less than one quart or 20 or more quarts in volume, or packaged milk that is sold to an institution that is owned or operated by the State or Federal Government.

Milk Handling Fee

Fiscal Year	General Fund	Total All Funds
2006	\$1,867,527	\$1,867,527
2007	\$2,561,972	\$2,561,972
2008	\$631,997	\$631,997
2009	\$6,605,226	\$6,605,226
2010	\$10,105,521	\$10,105,521
2011	\$3,845,823	\$3,845,823
2012	\$1,997,125	\$1,997,125
2013	\$2,381,329	\$2,381,329
2014	\$1,098,671	\$1,098,671

Revenue Notes – Milk Handling Fee

Revenue from this fee accrues as General Fund revenue.

History – Milk Handling Fee

Enacted by PL 2005, c.396, effective June 17, 2005. Milk handling fees were adjusted by PL 2007, c. 240, Part PPP and PL 2007, c. 269. PL 2009, c. 468 established a minimum fee of \$.04 per gallon and a maximum fee of \$.84 per gallon.

MILK POOL AND OTHER MILK FEES – 7 M.R.S.A. §2993-A, §2999-A & §3153

A fee determined by the Maine Milk Commission within the Department of Agriculture, Conservation and Forestry is imposed on all Maine milk dealers and credited to the Maine Milk Pool for redistribution to Maine and eligible Boston market producers to equalize price differentials in the dual market system. A fee of \$0.10 per hundredweight is applied to all milk produced by each producer and credited to the Maine Dairy Promotion Board. A fee of \$0.015 per hundredweight on all milk sold within Maine is paid to the Maine Dairy and Nutrition Council.

Milk Pool and Other Milk Fees

Fiscal Year	Other Special Revenue Funds	Total All Funds
2005	\$2,029,416	\$2,029,416
2006	\$2,797,256	\$2,797,256
2007	\$4,075,782	\$4,075,782
2008	\$3,215,539	\$3,215,539
2009	\$4,131,969	\$4,131,969
2010	\$4,604,841	\$4,604,841
2011	\$4,168,039	\$4,168,039
2012	\$3,751,089	\$3,751,089
2013	\$3,813,900	\$3,813,900
2014	\$3,129,540	\$3,129,540

Revenue Notes –Milk Pool and Other Milk Fees

The revenue from this source accrues as dedicated revenue. The amounts under this heading in these tables include the amounts collected by the Department of Agriculture, Conservation and Forestry and then redistributed to producers.

History –Milk Pool and Other Milk Fees

Adopted in 1984 by PL 1983, c. 573. Amended on a number of occasions to reflect changing conditions of the milk producing industry. Amended by PL 1985, c. 506 to substitute a promotion fee of 10¢ per hundredweight for a percentage based formula. Amended by PL 1999, c. 161 to authorize direct payments to the Maine Dairy Promotion Board and the Maine Dairy and Nutrition Council and to reduce the fee paid to the Maine Dairy and Nutrition Council from \$0.02 to \$0.015 per hundredweight effective June 1, 1999.

MARINE RESOURCES LICENSE FEES – 12 M.R.S.A., Part 9

The Department of Marine Resources collects a wide variety of marine-related licensing fees and permit fees. Table II-3 on the next page provides a comprehensive list of all fees collected by the Department of Marine Resources.

Marine Resources License Fees

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$2,029,848	\$729,274	\$2,759,122
2006	\$1,984,784	\$752,567	\$2,737,350
2007	\$1,932,207	\$721,560	\$2,653,767
2008	\$1,974,200	\$771,927	\$2,746,127
2009	\$1,872,820	\$720,713	\$2,593,533
2010	\$2,259,030	\$751,710	\$3,010,739
2011	\$2,305,968	\$840,105	\$3,146,073
2012	\$2,372,498	\$814,632	\$3,187,129
2013	\$2,273,667	\$954,290	\$3,227,957
2014	\$2,202,151	\$756,660	\$2,958,812

Revenue Notes – Marine Resources License Fees

Most of the revenue collected by the department is deposited into the General Fund; the remaining dedicated revenues are used to directly support specific programs within the department. In previous Compendiums, Atlantic Salmon License Fees were shown separately. In fiscal year 2008, the Atlantic Salmon Commission was transferred to the Department of Marine Resources, therefore, 2008 revenue shown above includes these fees, and previous year’s revenue amounts shown above have been updated to reflect these fees.

History – Marine Resources License Fees

The first recorded fishing licenses appear to have been authorized by PL 1911, c. 69 in the form of clam licenses issued by municipalities at a fee of not less than \$1 and not greater than \$5. Since that time, numerous licenses have been authorized with various fees. PL 2009, c. 213, Part G increased most license fees by 15% effective in fiscal year 2010. This 15% increase accrues as General Fund revenue, therefore certain licenses that were strictly dedicated revenue now also partially accrue as General Fund revenue. PL 2009, c. 559 created the saltwater recreational fishing registry. Any person who has not indicated on a valid freshwater fishing license that he or she intends to engage in saltwater recreational fishing must register effective January 1, 2011. This chapter also created the striped bass endorsement and commercial operator’s license effective January 1, 2011. PL 2009, c. 561 reduced, during calendar years 2010 and 2011 only, the hand fishing sea urchin license and hand fishing sea urchin license with tender fees within the area designated as Zone 1 from \$152 to \$25 and from \$362 to \$50 per year, respectively. PL 2011, c. 421 eliminated the striped bass endorsement and commercial operator’s license, and created the recreational fishing operator’s license, effective July 6, 2011. PL 2011, c. 598 used the existing sea urchin fishing licenses and created Zone 1 and Zone 2 licenses with different fee structures. It also repealed the enhanced retail seafood license and created the enhanced retail certificate. PL 2013, c. 309 temporarily increases, effective October 9, 2013, surcharges assessed on lobster harvester and dealer licenses. It also temporarily creates a tiered surcharge on lobster processor licenses, supplemental wholesale seafood licenses and supplemental lobster transportation licenses. These provisions are repealed October 1, 2018. PL 2013, c. 468 created the resident elver fishing license with crew for one device, resident elver fishing license with crew for 2 devices, nonresident elver fishing license with crew for one device and nonresident elver fishing license with crew for 2 devices effective January 1, 2015. PL 2013, c. 492 reduced the fees for resident commercial green crab only licenses and nonresident commercial green crab only licenses, from \$38 to \$10 and \$76 to \$20 respectively. It also reduced the nonresident lobster and crab landing permit surcharges during calendar years 2014, 2015 and 2016-2018 from \$425 to \$160.75, \$850 to \$320.75 and \$1,275 to \$480.75 per year, respectively.

TABLE II-3 – Marine Resources License Fees

Commercial Fishing	Fee
Resident Commercial Fishing License (Single)	\$48.00
Resident Commercial Fishing License (Crew)	\$128.00
Non-resident Commercial Fishing License (Crew)	\$481.00
Resident Pelagic and Anadromous Fishing License (incls. surcharge of \$50)	\$98.00
Resident and Crew Pelagic and Anadromous Fishing License (incls. surcharge of \$200)	\$328.00
Non-resident and Crew Pelagic and Anadromous Fishing License (incls. surcharge of \$400)	\$900.00
Atlantic Salmon	Fee
Atlantic Salmon License	\$15.00
Non-resident Season Atlantic Salmon License – 16 or Older	\$30.00
Non-resident 3-Day Atlantic Salmon License – 16 or Older	\$15.00
Non-resident Atlantic Salmon License – Under 16	\$5.00
Atlantic Salmon Agents Fees	\$2.00
Atlantic Salmon Duplicate License	\$1.00
Scallop	Fee
Scallop Fishing License – Non-commercial (incls. surcharge. of \$40)	\$58.00
Scallop Fishing License – Dragger (incls. surcharge of \$100)	\$243.00
Scallop Fishing License – Diver (incls. surcharge of \$100)	\$233.00
Scallop Fishing License – Hand	\$143.00
Scallop Fishing License – Hand with Tender (incls. surcharge of \$100)	\$293.00
Lobster/Crab	Fee
Fishing License – Class I (incls. surcharge of \$41.25)	\$191.00
Fishing License – Class II (incls. surcharge of \$82.50)	\$383.00
Fishing License – Class II – 70 or Older (incls. surcharge of \$42)	\$191.00
Non-resident Fishing License – Apprentice (incls. surcharge of \$60)	\$785.00
Non-resident Fishing License – Apprentice Under 18 (incls. surcharge of \$30)	\$387.00
Fishing License – Class III (incls. surcharge of \$123.75)	\$568.00
Fishing License – Class III – 70 or Older (incls. surcharge of \$67)	\$283.00
Fishing License – Class I Under Age 18 (incls. surcharge of \$5)	\$65.00
Fishing License – Class I Over Age 70 (incls. surcharge of \$5)	\$66.00
Fishing License – Student (incls. surcharge of \$5)	\$65.00
Fishing License – Apprentice (incls. surcharge of \$10)	\$132.00
Fishing License – Apprentice Under 18 (incls. surcharge of \$5)	\$65.00
Fishing License – Apprentice Over 70 (incls. surcharge of \$5)	\$66.00
Fishing License – Non-commercial (incls. surcharge of \$5)	\$65.00
Non-resident Fishing License – Class I (incls. surcharge of \$60)	\$790.75
Non-resident Fishing License – Class I – Under Age 18 (incls. surcharge of \$30)	\$387.00
Non-resident Fishing License – Class II (incls. surcharge of \$120)	\$1,587.00
Non-resident Fishing License – Class III (incls. surcharge of \$180)	\$2,369.25
Non-resident Landing Permit (incls. surcharge of \$430)	\$751.00
Lobster Trap Tags	\$0.50
Green Crab	Fee
Resident Green Crab Fishing License	\$10.00
Non-resident Green Crab Fishing License	\$20.00
Shrimp	Fee
Resident Commercial Shrimp License – Single	\$38.00
Resident Commercial Shrimp License – Crew	\$103.00
Non-resident Comm. Shrimp License – Crew	\$385.00
Shellfish	Fee
Commercial Shellfish License	\$133.00
Commercial Shellfish License Over Age 70	\$67.00
Mahogany Quahog License	\$128.00
Mussel License – Hand	\$133.00
Mussel License – Dragger	\$265.00
Surf Clam Boat License	\$265.00
Sea Cucumber Fishing License – Dragger	\$128.00

Sea Urchin	Fee
Fishing License – Dragger (incls. surcharge of \$160), Zone 2	\$312.00
Fishing License – Dragger, Zone 1	\$25.00
Fishing License – Diver (incls. surcharge of \$160)	\$293.00
Fishing License – Hand, Zone 2	\$152.00
Fishing License – Hand with Tender (incls. surcharge of \$160), Zone 2	\$362.00
Fishing License – Hand, Zone 1	\$25.00
Fishing License – Hand with Tender, Zone 1	\$50.00
Fishing License – Raker/Trapper (incls. surcharge of \$160)	\$312.00
Fishing License – Temporary	\$36.00
Fishing License – Surcharge – Wholesale	\$1,000.00
Seafood License with a Sea Urchin Processor Permit	
Fishing License – Surcharge – Wholesale Seafood License with a Sea Urchin Buyer Permit	\$500.00
Eel	Fee
Eel Pot License	\$125.00
Elver	Fee
Resident – 1 Dip Net	\$105.00
Non-resident – 1 Dip Net	\$442.00
Resident – 1 Fyke Net/Sheldon Trap Only	\$105.00
Non-res. – 1 Fyke Net/Sheldon Trap Only	\$442.00
Resident – 1 Fyke Net/Trap & Dip Net	\$163.00
Non-resident – 1 Fyke Net/Trap & Dip Net	\$500.00
Resident – 2 Fyke Net/ Traps	\$163.00
Non-resident – 2 Fyke Net/Traps	\$500.00
Worm	Fee
Marine Worm Digger License	\$50.00
Seaweed	Fee
Resident Seaweed License	\$58.00
Resident Seaweed License – Supplemental	\$29.00
Non-resident Seaweed License	\$230.00
Non-Resident Seaweed License – Supplemental	\$58.00
Dealer Licenses	Fee
Retail Seafood Dealer License	\$100.00
Enhanced Retail Certificate	\$28.00
Wholesale Seafood Dealer License	\$443.00
Wholesale Seafood Dealer License – Supplemental	\$87.00
Wholesale Seafood Dealer License with Lobster Permit – Lobster Promotion Council Surcharge	\$400.00
Marine Worm Dealers License	\$64.00
Marine Worm Dealers License – Supplemental Elver Dealer	\$26.00
Elver Dealer – Supplemental	\$63.00
Shellfish Transport License	\$529.00
Shellfish Transport License – Supplemental	\$173.00
Limited Wholesale Shellfish Harvester’s License Lobster Meat Permit	\$115.00
Lobster Processor License	\$159.00
Lobster Transportation License	\$500.00
Lobster Transportation License – Suppl.	\$312.00
Seaweed Buyer’s License – Resident	\$63.00
Seaweed Buyer’s License – Non-resident	\$200.00
Seaweed Buyer’s License – Surcharge	\$500.00
Duplicate License	Not to exceed \$5/wet ton \$6.00

SALMON TAX – 12 M.R.S.A. §6078-A (Repealed)

An excise tax of 1¢ per pound was imposed upon farm-raised salmon. Funds collected from this tax were deposited into the Aquaculture Monitoring, Research and Development Fund within the Department of Marine Resources. The salmon tax was repealed effective September 17, 2005.

Salmon Tax

Fiscal Year	Other Special Revenue Funds	Total All Funds
2004	\$231,548	\$231,548
2005	\$19,682	\$19,682

Revenue Notes – Salmon Tax

Revenue from this excise tax accrued as dedicated revenue to the Department of Marine Resources. The authority to set the tax by rule and to collect the tax was repealed in fiscal year 2005.

History – Salmon Tax

First authorized by PL 1991, c. 381. Amended several times; most recently was a fee established by rules developed by the Department of Marine Resources under the provisions of 12 M.R.S.A. §6078-A. Repealed by PL 2005, c. 92, §7 effective September 17, 2005.

MAHOGANY QUAHOG TAX – 36 M.R.S.A. c. 714

A tax is imposed at the rate of \$1.20 per bushel on all mahogany quahogs purchased from a harvester in Maine for wholesale distribution. One purpose of this tax is to fund the Mahogany Quahog Monitoring Fund established in 12 M.R.S.A. §6731-A. The Mahogany Quahog Monitoring Fund receives either 58% or \$56,000 of this tax revenue, whichever is greater, and the remainder is credited to the General Fund.

Mahogany Quahog Tax

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$45,532	\$56,000	\$101,532
2006	\$40,835	\$56,391	\$97,227
2007	\$32,541	\$60,688	\$93,229
2008	\$29,514	\$56,000	\$85,514
2009	(\$69)	\$43,353	\$43,284
2010	\$0	\$54,574	\$54,574
2011	\$4,341	\$56,000	\$60,341
2012	\$26,817	\$56,000	\$82,817
2013	\$4,156	\$56,000	\$60,156
2014	\$0	\$33,892	\$33,892

Revenue Notes – Mahogany Quahog Tax

The Other Special Revenue Funds amounts are dedicated to the Mahogany Quahog Monitoring Fund. The remainder is credited to the General Fund. In fiscal year 2009, a refund, which should have been credited to Other Special Revenue Funds, was credited to the General Fund, leaving a negative revenue amount in the General Fund.

History – Mahogany Quahog Tax

Imposed July 16, 1986 at the rate of 8% of the landed value of mahogany quahogs. Repealed and replaced June 29, 1987 changing the rate to \$1.20 per bushel. Amended PL 2003, c. 20 §WW-28 to increase from \$16,000 to \$56,000 the amount set aside for the Toxin Monitoring Fund effective July 1, 2003. PL 2003, c. 593 changed the name of the Toxin Monitoring Fund to the Mahogany Quahog Monitoring Fund and changed its share of revenues to the greater of 58% or \$56,000.

BLUEBERRY TAX – 36 M.R.S.A. c. 701

A tax is imposed at the rate of 1½¢ per pound of fresh fruit on all wild blueberries grown, purchased, sold, handled or processed in Maine. Funds collected are transferred to the Wild Blueberry Commission of Maine for promotion, advertising, research and education.

Blueberry Tax

Fiscal Year	Other Special Revenue Funds	Total All Funds
2005	\$893,062	\$893,062
2006	\$1,007,374	\$1,007,374
2007	\$1,233,229	\$1,233,229
2008	\$1,247,079	\$1,247,079
2009	\$1,475,106	\$1,475,106
2010	\$1,455,613	\$1,455,613
2011	\$1,401,858	\$1,401,858
2012	\$1,307,566	\$1,307,566
2013	\$1,591,381	\$1,591,381
2014	\$1,526,415	\$1,526,415

Revenue Notes – Blueberry Tax

Revenue from this tax accrues as dedicated revenue.

History – Blueberry Tax

First imposed July 21, 1945 at 1.25 mills per pound. Increased September 23, 1971 to 2.25 mills per pound. Increased October 24, 1977 to 3 mills per pound. Increased June 8, 1979 to 5 mills per pound. Increased July 25, 1984 to 10 mills or 1¢ per pound. Increased May 14, 2001 to 1½¢ per pound.

POTATO TAX – 36 M.R.S.A. c. 710

A tax is levied and imposed at the rate of \$0.06 per hundredweight on all potatoes raised in Maine except those retained by the grower for seed or consumption and those certified by a federal-state inspector as unmerchantable. Funds are transferred to the Maine Potato Board and used for research, marketing, promotion and information programs.

Potato Tax

Fiscal Year	Other Special Revenue Funds	Total All Funds
2005	\$644,764	\$644,764
2006	\$702,871	\$702,871
2007	\$690,122	\$690,122
2008	\$724,445	\$724,445
2009	\$692,583	\$692,583
2010	\$674,210	\$674,210
2011	\$672,275	\$672,275
2012	\$749,959	\$749,959
2013	\$688,881	\$688,881
2014	\$739,015	\$739,015

Revenue Notes – Potato Tax

Revenue from this tax accrues as dedicated revenue to the Maine Potato Board.

History – Potato Tax

Adopted 1937. Amended in 1955 increasing tax from 1¢ to 2¢ per barrel. Amended in 1972 to \$0.12 per hundredweight. Amended to \$0.25 per hundredweight, effective October 1, 1975. Amended to \$0.05 per hundredweight, effective July 25, 1984. Unmerchantable potatoes are exempted, effective August 1, 1986. Effective September 1, 2011, PL 2011, c. 7 increased the tax to \$0.06 per hundredweight.

MINING EXCISE TAX – 36 M.R.S.A. c. 371

An excise tax is imposed on each mining company conducting mining operations in Maine. This excise tax is imposed in lieu of all property taxes on or with respect to mining property, except for the real property tax on buildings and land (excluding the value of minerals and mineral rights). The annual excise tax on each mine site is the greater of:

- 1) The value of facilities and equipment multiplied by 0.005; or
- 2) A tax on gross proceeds computed by a formula.

All such tax revenues accrue to the General Fund, the Mining Corrective Action Fund, the Mining Impact Assistance Fund and the Mining Excise Tax Trust Fund, according to formulas.

Revenue Notes – Mining Excise Tax

No revenue has been generated by this tax through fiscal year 2014.

History – Mining Excise Tax

Enacted in 1982 by PL 1981, c. 711. PL 2011, c. 653, converted the Mining Corrective Action Fund to the Mining Oversight Fund effective June 1, 2014.

HUNTING AND FISHING LICENSE FEES – 12 M.R.S.A., Part 13

The Department of Inland Fisheries and Wildlife collects a variety of hunting and fishing related licensing fees. In addition to the hunting and fishing license fees, the department collects revenue from other sources such as the Gasoline Tax, ATV, Snowmobile and Watercraft fees, as well as fine revenue, which are described separately. Most of the revenue collected by the department is deposited into the General Fund. Article IX, section 21 of the Maine Constitution requires that the amount of funds appropriated to the department in any fiscal year may not be less than the total amount of General Fund revenues collected by the department in that same fiscal year. Table II-4 on the next page provides a list of the hunting and fishing license fees collected by the Department of Inland Fisheries and Wildlife. Also see the website of the Department of Inland Fisheries and Wildlife at <http://www.maine.gov/ifw>.

TABLE II-4 – Hunting and Fishing License Fees

Hunting	Fee
Resident Hunting	\$25.00
Resident Serviceman Hunting	\$10.00
Lifetime Hunting – Age 0-5	\$150.00
Lifetime Hunting – Age 6-15	\$300.00
Lifetime Hunting – Age 65 and above	¹
Lifetime Hunting – Native American Age 10 & above	No Charge ²
Non-resident Big Game	\$114.00
Resident Small Game	\$14.00
Non-resident Small Game	\$74.00
Non-resident 3-day Small Game	\$49.00
Alien Big Game	\$139.00
Alien Small Game	\$79.00
Resident Junior Hunting	\$7.00
Non-resident Junior Hunting	\$34.00
Resident Apprenticeship Hunting	\$25.00
Non-resident Small Game Apprenticeship Hunting	\$74.00
Non-resident Big Game Apprenticeship Hunting	\$114.00
Resident Muzzle-Loading Hunting	\$13.00
Non-resident Muzzle-Loading Hunting	\$69.00
Alien Muzzle-Loading Hunting	\$79.00
Resident Archery	\$25.00
Resident Expanded Archery	\$42.00
Non-resident Archery	\$74.00
Non-resident Expanded Archery	\$82.00
Alien Archery	\$84.00
Expanded Archery Antler	\$32.00
Expanded Archery Antlerless	\$12.00
License to Hunt Commercial Shooting Area	\$21.00
Coyote Hunting Permit (Valid Hunting License Req'd)	\$4.00
Pheasant Stamp	\$17.00
Migratory Waterfowl Stamp	\$7.50
Resident Bear Hunting Permit	\$27.00
Non-resident Bear Hunting Permit	\$74.00
Non-resident Late Season Bear Hunting Permit	\$40.00
Resident Combined Fall & Spring Wild Turkey Permit	\$20.00
Non-res. Combined Fall & Spring Wild Turkey Permit	\$20.00
Second Spring Wild Turkey Permit	\$20.00
Resident Moose Application – 1 chance	\$15.00
Non-resident Moose Application – 1 chance	\$15.00
Non-resident Moose Application – 3 chances	\$25.00
Non-resident Moose Application – 6 chances	\$35.00
Non-resident Moose Application – 10 chances	\$55.00
Resident Moose Permit	\$52.00
Non-resident Moose Permit	\$585.00
Bonus Any Deer	\$12.00

Combination	Fee
Resident Combination Hunting & Fishing	\$42.00
Resident Serviceman's Combination	\$20.00
Resident Serviceman's Combination (Overseas Duty)	\$3.00
Resident Combination Archery Hunting & Fishing	\$42.00
Non-resident Combination Hunting & Fishing	\$149.00
Alien Combination Hunting & Fishing	\$190.00
Resident Lifetime Combo – Age 0-5	\$250.00
Non-resident Lifetime Combo – Age 0-5	\$425.00
Resident Lifetime Combo – Age 6-15	\$500.00
Non-resident Lifetime Combo – Age 6-15	\$1,500.00
Lifetime Combo – Age 65 and above	¹
Superpack	\$175.00/ \$200.00

Fishing	Fee
Resident Fishing	\$25.00
Resident Serviceman Fishing	\$10.00
Non-resident Season Fishing	\$64.00
Alien Fishing	\$84.00
Lifetime Fishing – Age 0-5	\$150.00
Lifetime Fishing – Age 6-15	\$300.00
Lifetime Fishing – Age 65 and above	¹
Lifetime Fishing – Native American Age 10 & above	No Charge ²
Resident/Non-resident 3-Day Fishing	\$23.00
1-Day Fish Exchange Resident	\$11.00
3-Day Fish Exchange Resident	\$23.00
Non-resident 7-Day Fishing	\$43.00
Non-resident Exchange Fishing	\$12.00
Non-resident 15-Day Fishing	\$47.00
Non-resident Junior Fishing	\$16.00
Alewife, Sucker and Yellow Perch Individual Permit	\$44.00
Alewife, sucker and Yellow Perch Crew Permit	\$102.00
Resident/Non-resident One Day Fishing License	\$11.00
Fishing Derby Permit	\$26.00
Youth Camp Fishing License	\$78.00
1-Day Bass Tournament – Weigh-in/Catch & Release	\$52.00/12.00
1-Day Fish Exchange Resident Combo	\$27.00
Eel Pot Permit	\$102.00
Fish Pond Stocking	\$10.00

Trapping	Fee
Resident Apprentice Trapping	\$35.00
Non-resident Apprentice Trapping	\$317.00
Resident Junior Trapping	\$9.00
Resident Bear Trapping Permit	\$27.00
Non-resident Bear Trapping Permit	\$67.00

Miscellaneous	Fee
Wildlife Exhibit Permit	\$147.00
Wildlife Propagator (2 years)	\$27.00
Wildlife Importation Permit	\$27.00
Falconry	\$26.00/52.00/78.00
Resident Hide Dealer	\$60.00
Special Hide Dealer	\$110.00
Taxidermist	\$79.00
Commercial Shooting Area/ Renewal	\$502.00/252.00
Dog Training Area	\$26.00
Leashed Dog Tracking Application	\$27.00
Leashed Tracking Dog License	\$81.00
Duplicate License Fees	\$2.00
Guide (3 years)	\$81.00
Guide Examination Fee	\$100.00
Whitewater Guide (3 years)	\$89.00
Whitewater Guide Examination Fee	\$100.00
Commercial Whitewater Outfitters	\$350.00
Whitewater Usage Fee	\$2.00
Field Trials Sporting Retrieve Dogs	\$27.00
Fur Seals	\$0.25
Camp Trip Leader/Renewal	\$20.00/15.00
License to Cultivate or Harvest Fish	\$27.00
License to Sell Inland Fish (Comm. grown/imported)	\$27.00
Live Bait Retailer	\$16.00
Baitfish Wholesaler	\$26.00
Smelt Wholesaler	\$71.00
Voluntary Landowner Relations Certificate	\$20.00

¹Lifetime Hunting and Lifetime Fishing Licenses for persons over age 65 vary by age starting at \$50 for age 65 reducing by \$10 for each year to \$10 at age 69. Lifetime Combo Licenses vary by age reducing by \$16 for each year starting at \$80 for age 65 and reducing to \$16 at age 69. Lifetime Hunting Fishing and Combo Licenses for age 70 and above are \$8.

² Lifetime Hunting and Lifetime Fishing Licenses (includes trapping) shall be issued to Native Americans of the Passamaquoddy Tribe, the Penobscot Nation the Houlton Band of Maliseet Indians and the Aroostook Band of Micmacs.

Hunting and Fishing License Fees

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$16,691,165	\$645,139	\$17,336,304
2006	\$16,840,079	\$478,116	\$17,318,195
2007	\$16,401,876	\$623,209	\$17,025,085
2008	\$15,683,316	\$832,503	\$16,515,819
2009	\$15,378,849	\$800,913	\$16,179,762
2010	\$16,277,082	\$774,653	\$17,051,735
2011	\$15,863,627	\$859,553	\$16,723,181
2012	\$15,874,952	\$944,346	\$16,819,297
2013	\$16,078,543	\$1,081,071	\$17,159,615
2014	\$15,987,534	\$1,158,290	\$17,145,823

Revenue Notes – Hunting and Fishing License Fees

Most of the revenue from hunting and fishing license fees accrues as General Fund revenue. A small amount of revenue collected from hunting and fishing license fees accrues as Other Special Revenue Funds. The fees that accrue as dedicated revenue include lifetime license fees.

History – Hunting and Fishing License Fees

The first recorded hunting licenses were issued in 1899, a special license permitting second deer in September, \$4.00. Non-resident fishing license adopted in 1917, \$2.00. First resident hunting and fishing license were adopted in 1919 at 25¢ for a lifetime license. Non-resident hunting license fees were adopted in 1920 at \$15.00. Since then, laws have been revised to present status as shown by the schedule of fees above. The most recent changes occurred in PL 2009, c. 213, Part OO, which increased hunting, fishing, archery and combination license fees by \$4 for residents and \$12 for non-residents. It also increased all other non-resident licenses and permits by \$7. These increases in licenses and permits took effect January 1, 2010. PL 2011, c. 268 reduced nonresident infant lifetime licenses, from December 1, 2011 to March 1, 2015 as follows: infant lifetime fishing license \$200, infant lifetime hunting license \$200, infant lifetime archery hunting license \$200, infant lifetime trapping license \$200, infant lifetime combination of any 2 licenses \$425 and infant lifetime combination of any 3 licenses \$660. PL 2011, c. 370 eliminated the 3 and 6 chance resident moose application and increased the 1 chance application fee to \$15 effective September 28, 2011. PL 2011, c. 51 created an apprentice trapper license with a fee of \$35 for a resident and \$317 for a nonresident effective September 28, 2011. PL 2011, c. 253 created the nonmarine invertebrate permit effective September 28, 2011 with the fee to be established in rule. PL 2011, c. 576 repealed the supersport certificate effective January 1, 2013 and created a voluntary landowner relations certificate with a \$20.00 fee to be deposited into the newly created Landowner Relations Fund. PL 2013, c.387 reduces, effective January 1, 2014, the non-resident combined fall and spring wild turkey permit fee to the resident fee. It also eliminates the second spring wild turkey permit. PL 2013, c. 380 eliminates, effective January 1, 2015, the non-resident junior fishing license.

ENVIRONMENTAL PROTECTION FEES – 38 M.R.S.A.

Maine law charges the Department of Environmental Protection with administering a variety of licensing fees, which are dedicated to funding programs associated with the fees. Environmental licensing fees and license applications and renewals are collected to support land, air, water, hazardous waste, and solid waste licensing and compliance programs. The Department of Environmental Protection also collect various other environmental fees, which include fees for registration of underground petroleum fuel storage tanks, for generation of hazardous waste both on-site and off-site, for transportation of hazardous waste, and for generation and transportation of waste oil.

A complete list of all the fees charged by the Department of Environmental Protection may be accessed through the Department of Environmental Protection’s website at <http://www.maine.gov/dep/permits.htm#fees>.

Environmental Protection Fees

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
	Other Environmental Fees	Environmental License and Other Fees	
2005	\$9,667	\$6,967,706	\$6,977,373
2006	\$1,454	\$7,130,672	\$7,132,126
2007	\$0	\$7,502,061	\$7,502,061
2008	\$0	\$8,223,326	\$8,223,326
2009	\$0	\$12,528,454	\$12,528,454
2010	\$0	\$12,292,459	\$12,292,459
2011	\$0	\$13,111,263	\$13,111,263
2012	\$0	\$13,304,535	\$13,304,535
2013	\$0	\$13,369,654	\$13,369,654
2014	\$0	\$10,728,525	\$10,728,525

Revenue Notes – Environmental Protection Fees

Revenue collections of the Department of Environmental Protection (DEP) accrue as Other Special Revenue dedicated to programs within the agency. Fees received from an operator licensing program for wastewater treatment plants were deposited by the department in the General Fund until January 1, 2006. After that date, the Joint Environmental Training Coordinating Committee, a component of the New England Interstate Water Pollution Commission, began directly receiving these fees and administering the licensing program through a Memorandum of Understanding with the Department.

History – Environmental Protection Fees

The first instance of pollution licensing fees appears to have been a \$50 fee charged for a water discharge license administered by the Sanitary Water Board; PL 1945, c. 345. Numerous adjustments have taken place, and new fees have been established, since 1945, now applying to over 200 types of licenses. Maine law currently codifies the authority for all DEP administered fees in Maine Revised Statutes, Title 38.

RECYCLING ASSISTANCE FEE – 36 M.R.S.A. c. 719

A recycling assistance fee is imposed on the retail sale of new tires and new lead-acid batteries at the rate of \$1.00 each. The fee is applied in the same manner as the sales and use tax, except that municipal revenue sharing is not deducted from the revenue collected. Sales of any items that occur as part of a sale of a trailer, a mobile home or any motorized vehicle are exempt from assessment of this fee. Any exclusion, exemption or credit provided in the sales and use tax law also applies to the recycling assistance fee.

Retailers who are responsible for collecting and remitting sales and use tax are also responsible for collecting and remitting the recycling assistance fee, as applicable. New tires and new lead-acid batteries that are purchased out-of-state but for use within Maine are also subject to the recycling assistance fee.

All revenues from the recycling assistance fee are dedicated to the Maine Solid Waste Management Fund, which is used to operate recycling programs for municipalities and the solid waste regulatory activities of the Department of Environmental Protection.

Recycling Assistance Fees

Fiscal Year	Other Special Revenue Funds	Total All Funds
2005	\$1,704,900	\$1,704,900
2006	\$1,504,233	\$1,504,233
2007	\$1,902,773	\$1,902,773
2008	\$1,550,731	\$1,550,731
2009	\$1,397,528	\$1,397,528
2010	\$1,425,913	\$1,425,913
2011	\$1,469,303	\$1,469,303
2012	\$1,367,695	\$1,367,695
2013	\$1,403,185	\$1,403,185
2014	\$1,417,309	\$1,417,309

Revenue Notes – Recycling Assistance Fee

As noted above, the revenue from this source accrues as dedicated revenue. In previous versions of this report, this revenue was included under Service Charges for Current Services. The Maine Solid Waste Management Fund is required by statute to reimburse the General Fund for the administrative costs of the fee, as certified by the Maine Revenue Services. 36 M.R.S.A. §4833.

History – Recycling Assistance Fee

Adopted 1989. Amended by PL 1995, c. 368 to eliminate a \$5.00 fee on major appliances and bathtubs effective January 1, 1996 and the \$5.00 fee on furniture and mattresses effective January 1, 1997.

GASOLINE TAX – 36 M.R.S.A. c. 451

An excise tax is imposed upon internal combustion engine fuel sold or used within Maine. Beginning July 1, 2003 and ending June 30, 2012, the rate was indexed annually for inflation. Tax rates are provided in Table II-5 on page 52. Refund of the gasoline tax paid (less 1¢ per gallon) is provided for fuel used in commercial motor boats, tractors used for agricultural purposes, vehicles used on rail and tracks or in stationary engines or in mechanical or industrial arts. Fuel used for these purposes is subject to the 5% use tax if the gasoline tax is refunded. Full refund is provided for certain common carrier passenger service vehicles.

Gasoline Tax

Fiscal Year	General Fund	Highway Fund	Other Special Revenue Funds	Total All Funds
2005	\$212,660	\$175,084,215	\$3,548,393	\$178,845,268
2006	\$246,235	\$176,769,409	\$4,313,539	\$181,329,183
2007	\$251,616	\$181,018,162	\$4,407,799	\$185,677,576
2008	\$249,174	\$179,096,254	\$4,365,030	\$183,710,458
2009	\$246,072	\$174,404,167	\$4,310,679	\$178,960,918
2010	\$262,696	\$177,377,553	\$18,819,231	\$196,459,480
2011	\$262,326	\$175,802,947	\$18,792,746	\$194,858,019
2012	\$265,353	\$177,043,901	\$19,009,646	\$196,318,900
2013	\$259,685	\$173,237,214	\$18,610,955	\$192,107,854
2014	\$262,375	\$175,225,204	\$18,803,717	\$194,291,295

Revenue Notes – Gasoline Tax

Revenue collected from the Gasoline Tax accrues primarily to the Highway Fund. The General Fund and Other Special Revenue Funds amounts represent the amounts of gasoline tax revenue that accrues to the Department of Agriculture, Conservation and Forestry, the Department of Marine Resources, the Department of Inland Fisheries and Wildlife and the TransCap Trust Fund at the Maine Municipal Bond Bank. Year-end accruals of gasoline tax revenue began in fiscal year 1999.

History – Gasoline Tax

Effective date of change	Rate in cents per gallon
7/6/23 enacted	1
7/10/25	3
7/15/27	4
6/1/47	6
6/1/55	7
7/1/69	8

Effective date of change	Rate in cents per gallon
6/1/71	9
4/1/83	14
5/1/88	16
4/1/89	17
7/19/91	19
8/1/99	22

Beginning 7/1/03 the gasoline tax was increased to 24.6 cents per gallon and was adjusted, until June 30, 2012, on July 1 annually by the percentage increase in the Consumer Price Index. See Table II-5.

Amended in 1965 to provide full refund to certain common passenger carriers and to provide shrinkage allowance for retail gasoline dealers. Amended in 1963 to add a refund provision for gasoline used in pleasure boats. Amended in 1965 to eliminate refunds for pleasure boat use and to set aside 1.25% of gasoline tax revenue for refunds to commercial motor boat users; 80% of balance credited to Boating Facilities Fund in the Dept. of Agriculture, Conservation and Forestry and 20% of balance to Dept. of Marine Resources; set-aside increased effective May 1, 1988, to 2.00% up to \$2 million. Amended in 1973 to set aside .5% of gasoline tax revenue; 90% to Snowmobile Trail Fund in the Dept. of Agriculture, Conservation and Forestry and 10% to Dept. of Inland Fisheries & Wildlife. Amended in 1995 to set aside an additional .17% for the Snowmobile Trail Fund and .045% for the ATV Recreational Management Fund. PL 2001, c. 693 effective July 1, 2003 increased and modified the distribution of gasoline taxes for non-highway recreational vehicle programs. Beginning in fiscal year 2004, 1.443% of total gasoline tax revenue designated as motorboat usage is dedicated to the Department of Marine Resources (24.6%) and the Boating Facilities Fund (75.4%). Revenue designated to be from snowmobile use set at 0.9045% of total gasoline revenue is dedicated for snowmobile purposes of the Department of Inland Fisheries and Wildlife (14.93%) and the Department of Agriculture, Conservation and Forestry (85.07%). Revenue designated to be from ATVs is set at 0.1525% and is dedicated to ATV purposes split equally between the Department of Inland Fisheries and Wildlife and the Department of Agriculture, Conservation and Forestry. PL 2007, c. 470 dedicated 7.5% of the tax, beginning July 1, 2009, to the TransCap Trust Fund at the Maine Municipal Bond Bank. PL 2009, c. 413 Part W amended the indexing provisions so that the inflation index may not be less than one. It also changed the tax rate for fuels containing at least 10% internal combustion engine fuel to impose the rate of tax imposed on gasoline on these fuels. PL 2011, c. 392 Part C eliminated annual indexing effective with fiscal years beginning on or after July 1, 2012.

SPECIAL FUEL AND ROAD USE TAXES - 36 M.R.S.A. c. 459

An excise tax is imposed on the sale or use of distillates (diesel fuel) and on low energy fuel (such as propane, methane and butane) at rates based on British Thermal Unit rating compared to gasoline when such fuel is used in an internal combustion engine for the generation of power to propel motor vehicles of any kind or character on the public highways or turnpikes of Maine. The tax is normally paid by the supplier and is refundable to the user (less one cent per gallon) when special fuel is purchased for off-highway use. Fuel used for these purposes is subject to the 5% use tax if the fuel tax is refunded. Full refunds are provided for certain common carrier passenger service vehicles. Beginning July 1, 2003 and ending June 30, 2012, the rate of tax on distillates was indexed for inflation. (Tax rates are provided in Table II-5.)

Motor carriers using special fuel in interstate or intrastate commerce within Maine are liable for a road use tax equivalent to the Maine tax on motor fuels. Maine is a member of the International Fuel Tax Agreement (IFTA), which is a compact among the states and Canadian provinces for the reporting and payment of motor carrier fuel taxes. Motor carriers make a single quarterly fuel tax report covering travel in all IFTA jurisdictions. The carriers receive credit for motor fuel taxes paid in any IFTA jurisdiction and pay, or are refunded, the net difference for all jurisdictions between fuel taxes owed and those paid. The carrier's home (or base) state transmits the appropriate data and tax payments monthly to all IFTA jurisdictions.

Special Fuel and Road Use Taxes

Fiscal Year	Highway Fund	Other Special Revenue Funds	Total All Funds
2005	\$45,400,514	\$0	\$45,400,514
2006	\$44,805,900	\$0	\$44,805,900
2007	\$45,805,856	\$0	\$45,805,856
2008	\$46,139,086	\$0	\$46,139,086
2009	\$41,811,377	\$0	\$41,811,377
2010	\$41,813,153	\$3,414,550	\$45,227,703
2011	\$41,230,945	\$3,357,494	\$44,588,438
2012	\$42,419,217	\$3,385,501	\$45,804,718
2013	\$41,302,615	\$3,352,292	\$44,654,907
2014	\$42,269,535	\$3,427,195	\$45,696,730

Revenue Notes – Special Fuel and Road Use Taxes

As of July 1, 2009, 7.5% of the revenue collected from the special fuel tax was deposited to the TransCap Trust Fund at the Maine Municipal Bond Bank; the remaining revenue accrues to the Highway Fund. Year-end accruals of the Special Fuel Tax began in fiscal year 1999.

History – Special Fuel and Road Use Taxes

Enacted effective October 1, 1983 at the rate of 14¢ per gallon on distillates and 13¢ per gallon on low energy fuels. Increased on July 1, 1988 to 19¢ per gallon on distillates and 15¢ per gallon on low energy fuels. Increased on April 1, 1989 to 20¢ per gallon on distillates and 16¢ per gallon on low energy fuels. The special fuel tax replaces the “Use Fuel Tax” that was adopted in 1941. The tax on low-energy fuel increased from 16¢ to 18¢ per gallon effective July 17, 1991 and temporarily on July 8, 9, and 10, 1991. The tax on distillates and low energy fuel was increased to 23¢ and 21¢ per gallon, respectively, effective August 1, 1999. Effective October 1, 2000, the tax on low energy fuels was decreased to rates ranging from 12.5¢ and 19.1¢ per gallon depending on the fuels BTU rating compared to gasoline. PL 2001, c. 688 provided for indexing the tax rate on distillates beginning July 1, 2003. PL 2005, c. 677 established that the tax rate for distillates containing 2% or more of biodiesel fuel is 20¢ and that that rate would be repealed 90 days after the adjournment of the First Regular Session of the 123rd Legislature. PL 2007, c. 470 dedicated 7.5% of the tax, beginning July 1, 2009, to the TransCap Trust Fund at the Maine Municipal Bond Bank. PL 2009, c. 413 Part W amended the indexing provisions so that the inflation index may not be less than one. It also changed the tax rate for biodiesel blended fuels containing less than 90% biodiesel fuel to impose the rate of tax imposed on diesel on these fuels. PL 2011, c. 392 Part C eliminated annual indexing effective with fiscal years beginning on or after July 1, 2012.

TABLE II-5 Motor Fuel Tax Rates¹
(cents per gallon)

Fuel Type	Rate on 6/30/03	Effective 7/1/03	Effective 7/1/04	Effective 7/1/05	Effective 7/1/06	Effective 7/1/07	Effective 7/1/08	Effective 7/1/09 ²	Effective 7/1/11 ³
Gasoline	22	24.6	25.2	25.9	26.8	27.6	28.4	29.5	30.0
Diesel ⁴	23	25.7	26.3	27.0	27.9	28.8	29.6	30.7	31.2
Propane	16	17.9	18.3	18.8	19.4	20.1	20.6	21.5	21.9
Methanol	12.5	14	14.3	14.7	15.2	15.7	13.9	14.5	14.7
Ethanol	15.6	17.4	17.8	18.3	18.9	19.6	18.7	19.5	19.8
CNG ⁵	19.1	21.4	21.8	22.4	23.2	23.9	23.0	23.9	24.3

¹ Inflation factor is determined by the prior year's inflation rate. The inflation factor for July 1, 2003 was 1.118, for July 1, 2004 it was 1.023, for July 1, 2005, it was 1.027, for July 1, 2006 it was 1.034, for July 1, 2007 it was 1.032, for July 1, 2008 it was 1.028, for July 1, 2009 it was 1.038, for July 1, 2010 it was 1.00 and for July 1, 2011 it was 1.016.

² Rates were unchanged on July 1, 2010 so July 1, 2009 rates remain in effect through June 30, 2011.

³ Indexing was eliminated effective January 1, 2012 so that the rates in effect on July 1, 2011 remain in effect.

⁴ For reporting periods beginning on September 1, 2006 through September 19, 2007, the tax rate for diesel fuel containing at least 2% biological component is 0.200.

⁵ CNG (Compressed Natural Gas). The tax rate is applied to every 100 cubic feet. The tax rate on all other fuels is based on each gallon.

AERONAUTICAL FUEL TAXES – 36 M.R.S.A. §§ 2903, 2910

Aeronautical gasoline sold for use in propelling piston engine aircraft is subject to the gasoline tax, and is taxed at the same rates as other gasoline. The tax is refundable to the user, less 4¢ per gallon. Fuel used for this purpose is subject to the sales tax if the fuel tax is refunded. Fuel used for propelling jet or turbojet engine aircraft in domestic flights is subject to an excise tax of 3.4¢ per gallon, and is exempt from the sales and use tax. Jet fuel used in international flights is exempt from both the jet fuel tax and the sales and use tax.

Aeronautical Fuel Taxes

Fiscal Year	General Fund	Multimodal Transportation Fund	Total All Funds
2005	\$1,095,171	\$0	\$1,095,171
2006	\$359,655	\$629,038	\$988,693
2007	\$0	\$548,354	\$548,354
2008	\$0	\$1,090,695	\$1,090,695
2009	\$0	\$962,543	\$962,543
2010	\$0	\$975,667	\$975,667
2011	\$0	\$1,028,763	\$1,028,763
2012	\$0	\$1,042,204	\$1,042,204
2013	\$0	\$912,276	\$912,276
2014	\$0	\$943,336	\$943,336

Revenue Notes – Aeronautical Fuel Taxes

Revenue from aeronautical fuel taxes accrued to the General Fund until October 1, 2005, when these taxes began to accrue to the State Transit, Aviation & Rail Transportation Fund (renamed the Multimodal Transportation Fund program in PL 2011, c. 649, Sec. E-13), which is an enterprise fund and not one of the operating funds included in the revenue tables in Section III.

History – Aeronautical Fuel Taxes

The aeronautical gasoline tax was enacted effective July 2, 1931 by PL 1931, c. 239. This law required distributors to keep a record of sales of gasoline used for aeronautical purposes, as well as a refund of 75% of the tax to those requesting a refund within nine months of the date of purchase. Prior to PL 1931, c. 239, the sale of aeronautical gasoline was subject to the gasoline tax. PL 1947, c. 349 §4-A changed the refund to one-third of the tax if used for the purpose of operating an aircraft. PL 1955, c. 436 changed the rate of refund to three-sevenths of the tax. PL 1969, c. 426 changed the rate of refund to 50% of the tax. PL 1971, c. 529 changed the rate of refund to five-ninths of the tax. PL 1983, c. 94 changed the rate to 4¢ per gallon.

The aeronautical jet fuel tax was enacted, effective August 4, 1988, pursuant to PL 1987, c. 798. This law established a 3.4¢ per gallon excise tax on jet fuel used by turbine-powered aircraft providing commercial air service in Maine. This excise tax replaced a 5% per gallon sales tax.

OIL TRANSFER FEES - 38 M.R.S.A. §551 AND §569-A

Oil Transfer Fees, comprised of fees to store, handle and transport defined oil-based substances, accrue to the Ground Water Oil Clean-up Fund and the Maine Coastal and Inland Surface Oil Clean-up Fund within the Department of Environmental Protection.

Revenue derived from the fees on the transfer of oil products at marine oil terminal facilities and fees on the over-the-road/over-the-rail transportation of oil accrue to the Ground Water Oil Clean-up Fund. These fees are not assessed on petroleum products exported from Maine. This fund provides money for responses to spills, for the clean-up of sites contaminated by leaking underground storage tanks, and for restoration of contaminated water supplies. The balance in the fund is limited to \$12,500,000. The department’s administrative expenses associated with implementation of the fund may not exceed \$3,700,000 annually, subject to a 4% annual adjustment. The fund is their “insurance” pool that enables the State to respond to and remediate oil spills on land, including those that would have catastrophic environmental and human health effects.

The revenue derived from fees on the transportation of oil into Maine via the Portland Pipeline, marine oil terminal facilities, and the over-the-road/over-the-rail transportation of oil accrue to the Maine Coastal and Inland Surface Oil Clean-up Fund. This fund provides money for the personnel and equipment required to respond to surface water oil spills, as well as the cost of the removal of discharges and the restoration of water supplies contaminated by surface water spills. There is a statutory cap on the fund balance of \$6,000,000. The fund is the “insurance” pool that enables the State to respond to surface water oil spills, including those that would have catastrophic environmental and human health effects. When the cap is reached on either of the above-referenced funds, the assessment of fees is discontinued.

Oil Transfer Fees

Fiscal Year	Other Special Revenue Funds	Total All Funds
2005	\$17,734,543	\$17,734,543
2006	\$17,529,599	\$17,529,599
2007	\$21,251,754	\$21,251,754
2008	\$19,994,427	\$19,994,427
2009	\$19,872,615	\$19,872,615
2010	\$17,615,926	\$17,615,926
2011	\$17,019,576	\$17,019,576
2012	\$15,876,071	\$15,876,071
2013	\$14,610,309	\$14,610,309
2014	\$11,346,965	\$11,346,965

Revenue Notes – Oil Transfer Fees

As noted above, the revenue from this source accrues as dedicated revenue to the Ground Water Oil Clean-up and Maine Coastal and Inland Surface Oil Clean-up Funds within the Department of Environmental Protection.

History – Oil Transfer Fees

Fees of 38¢ per barrel of gasoline; 19¢ per barrel of refined petroleum products and their by-products other than gasoline, liquid asphalt and #6 fuel oil, including #2 fuel oil, kerosene, jet fuel and diesel fuel; and 4¢ per barrel of #6 fuel oil are assessed on the first transfer of those products by oil terminal facility licensees and deposited to the Ground Water Oil Clean-up Fund. This Fund also receives annual fees of \$130 per tank from owners or operators of underground oil storage facilities that store motor fuel or use motor fuel in the marketing and distribution of oil.

Fees of 3¢ per barrel of unrefined crude oil and all other refined oil, including #6 fuel oil, #2 fuel oil, kerosene, gasoline, jet fuel and diesel fuel, are assessed on transfers of those products by the licensee during the licensing period and are deposited to the Maine Coastal and Inland Surface Oil Clean-up Fund. The Fund also receives fees of 3¢ per barrel for all crude and refined oil, including #6 fuel oil, #2 fuel oil, kerosene, gasoline, jet fuel, diesel fuel and liquid asphalt on those products transported by the registrant during the period of registration.

PL 2013, c. 300 changed the amount of the department’s administrative expenses allowed to be charged to the Fund from an amount not to exceed \$3,700,000 annually, subject to a 4% annual adjustment, to \$4,500,000 per fiscal year adjusted annually based on the Consumer Price Index as reported by the United States Department of Labor, Bureau of Labor Statistics. This provision is effective October 9, 2013.

MOTOR VEHICLE AND OPERATOR LICENSE FEES – 29-A M.R.S.A. cc. 5-7

The Secretary of State oversees administration of the various motor vehicle registrations and operator licenses. All fees collected by the Secretary of State from motor vehicle registration and operator licenses accrue to the Highway Fund, except that a portion of the fees and contributions collected for Conservation plates, Lobster plates, Black Bear plates, University of Maine System plates, Sportsman plates, We Support Our Troops plates, Breast Cancer Support Services plates, Agriculture Education plates and Support Animal Welfare plates accrue as dedicated revenue to be used for special purposes and a portion of excise taxes on nonresident fees accrues to the General Fund. As of July 1, 2009, \$10 of each fee assessed for regular motor vehicle registration, vanity plates and title applications are transferred at the end of each quarter to the Transcap Trust Fund to provide funding for debt service costs of revenue bonds issued by the Maine Municipal Bond Bank. Table II-6 summarizes the fees collected for motor vehicle registrations and operator’s licenses including driver education licensing fees. (Also see the website of the Department of the Secretary of State at <http://www.maine.gov/sos/bmv/index.html>.)

TABLE II-6 Motor Vehicle and Operator License Fees

Operator License Fees	
Digital Licenses Class A and B	\$34.00 for 5 years
Digital Licenses Class A & B (for 65 & older)	\$28.00 for 4 years
Digital Licenses Class C	\$30.00 for 6 years, \$40.00 for 8 years
Digital Licenses Class C (for 65 & older)	\$21.00 for 4 years
Reinstatement Fee	\$50.00 ⁽¹⁾
Operator’s permit and examination: Class A and B	\$35.00
Operator’s permit and examination: Endorsements	\$10.00
Re-Exam Fee Class A or B	\$15.00
Class A or B No Show (assessed at time of reappointment)	\$30.00
Re-Exam Fee Class C and Endorsements	\$5.00
Class C No Show (assessed at time of reappointment)	\$20.00

⁽¹⁾In addition to the regular license fee

Driver Education Licensing Fees	
Motorcycle Instructor License	\$100.00
Motorcycle Classroom Inspection	\$50.00
Motorcycle Driving Range Inspection	\$50.00
Commercial or Non-exempt Non-commercial Driver Education School License	\$125.00
Exempt Non-commercial Driver Education School License	No Fee
Instructor License at Commercial or Non-exempt Non-commercial School	\$100.00
Instructor License at Exempt Non-commercial School	No Fee

TABLE II-6 Motor Vehicle and Operator License Fees (Continued)

Dealer Fees

Dealer registration fees	\$150.00/year plus \$20.00 plate
Transporter license	\$150.00/year plus \$20.00 plate
Motorcycle dealer license	\$50.00/year plus \$5.00 plate
Light trailer dealer license	\$50.00/year plus \$5.00 plate
Dealer wrecker plate does not exceed 26,000 lbs.	\$50.00
Dealer wrecker plate does not exceed 80,000 lbs.	\$200.00
Automobile Recycler	\$150.00
Annex License	\$150.00
Secondary Location License	\$100.00
Attended Sales Promotion	\$50.00 - \$150.00
Unattended Sales Promotion (based on # of days)	\$50.00-\$150.00
Manufacturer's License	\$1,500.00

Motor Vehicle and Truck Fees

Regular Motor Vehicle Plates	\$35.00/year
Restoration Fee	\$25.00
Title Application	\$33.00
Temporary Dealer Plates	\$1.00
Operating Authority Fee	\$8.00
Out-of-Sequence Plates (one-time fee)	\$15.00 ⁽²⁾
Initial Plates (Vanity Plates)	\$25.00/year ⁽²⁾
Conservation Plates – 1 st Year	\$20.00 ⁽²⁾
Conservation Plates – Renewal	\$15.00 ⁽²⁾
University of Maine System Plates – 1 st Year	\$20.00 ⁽²⁾
University of Maine System Plates – Renewal	\$15.00 ⁽²⁾
Lobster Plate – 1 st Year	\$20.00 ⁽²⁾
Lobster Plate – Renewal	\$15.00 ⁽²⁾
Black Bear Plate – 1 st Year	\$20.00 ⁽²⁾
Black Bear Plate – Renewal	\$15.00 ⁽²⁾
Sportsman Plate – 1 st Year	\$20.00 ⁽²⁾
Sportsman Plate – Renewal	\$20.00 ⁽²⁾
We Support Our Troops Plate – 1 st Year	\$20.00 ⁽²⁾
We Support Our Troops Plate – Renewal	\$15.00 ⁽²⁾
Breast Cancer Support Services Plate – 1 st Year	\$20.00 ⁽²⁾
Breast Cancer Support Services Plate – Renewal	\$15.00 ⁽²⁾
Agriculture Education Plate – 1 st Year	\$20.00 ⁽²⁾
Agriculture Education Plate – Renewal	\$15.00 ⁽²⁾
Support Animal Welfare Plate – 1 st Year	\$20.00 ⁽²⁾
Support Animal Welfare Plate – Renewal	\$15.00 ⁽²⁾
Wabanaki Plate	No Fee ⁽²⁾
Special Registration Permit Certificate	\$25.00
Temporary Registration Permit – Transit	\$12.00/\$25.00
Truck Camper Registration Permit	\$12.00
Motorcycles and Autocycles	\$21.00
Motorcycles – special veterans plate – one-time fee	\$5.00 ⁽²⁾
Antique Motor Vehicles	\$15.00
Horseless Carriage	\$15.00
Stock Cars – Off-road Use Only	\$8.00
Dune Buggies – Off-road Use Only	\$8.00
Street Rod	\$30.00
Mopeds	\$9.00
Automobile – Island Use Only	\$4.00
Reserved Number Fee	\$15.00
Replacement Plate	\$5.00
Duplicate Sticker	\$.50
Motor vehicle inspection exclusive of repairs, etc.	\$6.50
Enhanced Motor Vehicle Inspections (pre-1996 models)	\$9.50
Enhanced Motor Vehicle Inspections (1996 and later models)	\$12.50
Transfer fees for trailer not exceeding 2,000 lbs.	\$5.00
Transfer fees for motor vehicle, semi-trailer, or trailer over 2,000 lbs.	\$8.00
Transfer fees for semi-trailer in Permanent Registration Program	\$20.00
Trailers, Camp Trailers, and Semi-trailers (annual) not exceeding 2,000 lbs.	\$10.50
Semi-trailers (annual) over 2,000 lbs.	\$20.00
Boat and mobile home trailers generally	\$10.50
Camp trailers in excess of 2,000 lbs.	\$20.00
Special Equipment not exceeding 2,000 lbs.	\$10.00

TABLE II-6 Motor Vehicle and Operator License Fees (Continued)

Motor Vehicle and Truck Fees (Continued)

Special Equipment 2,001 to 5,000 lbs.	\$15.00
Special Equipment over 5,000 lbs.	\$20.00
Special Mobile Equipment Class A – (see detail later in Table II-6)	\$21.00 to \$712.00
Special Mobile Equipment Class B	\$20.00
Truck & tractors registered for gross weight (see detail later in Table II-6)	\$35.00 to \$1,234.00
Farm trucks registered for gross weight (see detail later in Table II-6)	\$21.00 to \$469.00
Motorhomes (see detail later in Table II-6)	\$21.00 to \$469.00
Semipermanent and permanent registration plates (see detail later in Table II-6)	\$5.00 to \$80.00
Experimental Motor Vehicle	\$20/yr for each plate
Firefighter (one-time)	\$5.00 ⁽²⁾

⁽²⁾ In addition to the Regular Motor Vehicle Plates Fee

Semi and Permanent Registration Plate Fees

Up to 8 year program for trailer not to exceed 2,000 lbs (available to any person)	\$5.00 per year
Up to 12 year program for trailer not to exceed 2,000 lbs. (available to any person)	\$5.00 per year
Up to 8 year program for semi-trailer (available to any person)	\$12.00 per year
Up to 12 year program for semi-trailer (available to any person)	\$12.00 per year
Up to 20 year program available to any corporation applying for at least 1,000 registrations	\$12.00 per year
Permanent Registration Plates	
25 year plates; available to any person registering 30,000 or more semitrailers	\$80.00

Detail – Trucks and Tractors

Gross Weight in Pounds		Fee	Gross Weight in Pounds		Fee
0 to	6,000	\$35.00	42,001 to	45,000	\$450.00
6,001 to	10,000	\$37.00	45,001 to	48,000	\$497.00
10,001 to	12,000	\$48.00	48,001 to	51,000	\$533.00
12,001 to	14,000	\$81.00	51,001 to	54,000	\$568.00
14,001 to	16,000	\$105.00	54,001 to	55,000	\$580.00
16,001 to	18,000	\$130.00	55,001 to	60,000	\$640.00
18,001 to	20,000	\$161.00	60,001 to	65,000	\$699.00
20,001 to	23,000	\$188.00	65,001 to	69,000	\$762.00
23,001 to	26,000	\$220.00	69,001 to	72,000	\$797.00
26,001 to	28,000	\$267.00	72,001 to	75,000	\$821.00
28,001 to	32,000	\$308.00	75,001 to	78,000	\$857.00
32,001 to	34,000	\$342.00	78,001 to	80,000	\$877.00
34,001 to	38,000	\$379.00	80,001 to	90,000	\$982.00
38,001 to	40,000	\$403.00	90,001 to	94,000	\$1,026.00
40,001 to	42,000	\$426.00	94,001 to	100,000	\$1,234.00

TABLE II-6 Motor Vehicle and Operator License Fees (Continued)

Detail – Farm Trucks and Motorhomes

Gross Weight in Pounds		Fee	Gross Weight in Pounds		Fee
0 to	6,000	\$21.00	34,001 to	38,000	\$265.00
6,001 to	10,000	\$27.00	38,001 to	40,000	\$276.00
10,001 to	12,000	\$32.00	40,001 to	42,000	\$288.00
12,001 to	14,000	\$39.00	42,001 to	45,000	\$305.00
14,001 to	16,000	\$50.00	45,001 to	48,000	\$322.00
16,001 to	18,000	\$72.00	48,001 to	51,000	\$340.00
18,001 to	20,000	\$84.00	51,001 to	54,000	\$357.00
20,001 to	23,000	\$101.00	54,001 to	55,000	\$365.00
23,001 to	26,000	\$119.00	55,001 to	60,000	\$394.00
26,001 to	28,000	\$137.00	60,001 to	65,000	\$441.00
28,001 to	32,000	\$166.00	65,001 to	69,000	\$469.00
32,001 to	34,000	\$217.00			

TABLE II-6 Motor Vehicle and Operator License Fees (Continued)

Temporary Registered Gross Weight Increase for Trucks and Farms ⁽³⁾

1-month permit	20%	5-month permit	60%
2-month permit	30%	6-month permit	70%
3-month permit	40%	7-month permit	75%
4-month permit	50%	8-month permit	80%

⁽³⁾When a truck is already registered, the owner, by paying an additional fee, may receive a short-term permit allowing the owner to haul loads of larger tonnage for a limited period of 8 months or less. No such permit may be issued for less than one month and no longer than 8 months.

Fee = (annual fee temp registered gross weight – annual fee for original registration weight) x table percentage

Detail – Special Mobile Equipment – Class A ⁽⁴⁾

Gross Weight in Pounds		Fee	Gross Weight in Pounds		Fee
54,001 to	60,000	\$387.00	75,001 to	80,000	\$507.00
60,001 to	65,000	\$417.00	80,001 to	90,000	\$567.00
65,001 to	70,000	\$447.00	90,001 to	94,000	\$592.00
70,001 to	75,000	\$477.00	94,001 to	100,000	\$712.00

⁽⁴⁾Farm Trucks Fee Schedule applies for Class A Special Mobile Equipment for 54,000 pounds and under.

Motor Vehicles and Operator License Fees

Fiscal Year	General Fund	Highway Fund	Other Special Revenue Funds	Total All Funds
2005	\$3,119,616	\$88,795,791	\$4,393,542	\$96,308,949
2006	\$2,165,993	\$91,983,572	\$4,798,004	\$98,947,569
2007	\$2,146,742	\$91,563,197	\$4,947,990	\$98,657,929
2008	\$2,682,160	\$90,178,532	\$4,615,528	\$97,476,220
2009	\$2,650,844	\$95,805,951	\$4,462,116	\$102,918,911
2010	\$2,853,500	\$81,766,630	\$19,302,939	\$103,923,069
2011	\$2,659,712	\$85,033,137	\$19,463,636	\$107,156,485
2012	\$2,533,902	\$87,828,595	\$20,370,803	\$110,733,301
2013	\$2,416,999	\$94,034,249	\$23,073,321	\$119,524,569
2014	\$2,471,035	\$89,143,959	\$21,622,988	\$113,237,982

Revenue Notes – Motor Vehicle and Operator License Fees

Revenue collected from Motor Vehicle and Operator License Fees accrue primarily to the Highway Fund. The General Fund revenue recorded as Motor Vehicle and Operator License Fees is primarily from excise taxes on nonresident motor vehicles, driver’s license restoration fees and vehicle arbitration fees. The revenue collected in Other Special Revenue Funds recorded as Motor Vehicle and Operator License Fees includes revenue generated from specialty license plates and, until fiscal year 2003, revenue from operating authority fees for the mandatory insurance program for motor carriers that accrued to the Transportation Safety Fund. As of fiscal year 2003, the aforementioned revenue from operating authority fees accrues to the Highway Fund. Other Special Revenue Funds revenue in this category also includes revenue generated by the Municipal Excise Tax Reimbursement program. Effective September 1, 2008, a \$10 fee increase was implemented for registration of a regular motor vehicle, vanity plates and title applications. Beginning July 1, 2009, the \$10 increase was transferred from the Highway Fund to the TransCap Trust Fund to fund debt service on revenue bonds outstanding issued by the Maine Municipal Bond Bank.

History – Motor Vehicle and Operator License Fees

Motor vehicle fees were first implemented in 1905. Amended numerous times since then to add new fees and modify existing fees. Amended by PL 2007, c. 647 to increase the fees for registration of a regular motor vehicle, vanity plates and title applications by \$10 effective September 1, 2008. Beginning July 1, 2009, the \$10 increase is transferred from the Highway Fund to the TransCap Trust Fund to fund debt service on revenue bonds outstanding issued by the Maine Municipal Bond Bank. PL 2011, c. 442 increased the driver education teacher or instructor license fee from \$80 to \$100 and extended the term from 1 to 2 years effective September 28, 2011.

ATV, SNOWMOBILE AND WATERCRAFT FEES – 12 M.R.S.A. cc. 903, 935-939

A listing of ATV, snowmobile and watercraft fees is provided in Table II-7.

Snowmobile Registration. Seven dollars from each resident snowmobile registration fee is transferred to the Snowmobile Trail Fund of the Department of Agriculture, Conservation and Forestry, Bureau of Parks and Lands. The remainder of the fee is distributed as follows: 22% is credited to the General Fund; 52% is credited to the Snowmobile Trail Fund of the Bureau of Parks and Lands; and 26% is annually distributed to the municipality of the owner’s residence as shown on the owner’s registration certificate, except that in an unorganized territory, 26% of each fee is distributed to the county of the owner’s residence and credited to the unorganized territory fund of the county.

Of the non-resident snowmobile registration fee, 18% of each fee is credited to the General Fund, 7% is credited to the Snowmobile Enforcement Fund of the Department of Inland Fisheries and Wildlife and 75% is credited to the Snowmobile Trail Fund of the Bureau of Parks and Lands. (12 M.R.S.A. §10206, sub-§2).

All-Terrain Vehicle Registration. Fifty percent of the revenue from the annual registration fee is credited to the undedicated revenue of the General Fund and the remaining 50% is credited to the ATV Recreational Management Fund administered by the Department of Agriculture, Conservation and Forestry (12 M.R.S.A. §10206, sub-§1).

TABLE II-7 – ATV, Snowmobile and Watercraft Fees

All-Terrain Vehicle		Fee	Snowmobile		Fee
All-Terrain Vehicle Dealer Registration		\$18.00	Resident Snowmobile Registration		\$40.00
All-Terrain Vehicle Dealer Plate		\$8.00	Resident Antique Snowmobile Registration (One-Time Fee)		\$33.00
All-Terrain Vehicle Replacement Plate		\$5.50	Non-resident Snowmobile Registration Season		\$88.00
All-Terrain Vehicle Resident Registration		\$33.00	Non-resident Snowmobile Registration 3-day		\$43.00
All-Terrain Vehicle Non-Resident Registration		\$68.00	Snowmobile Rental Agent		\$28.00
Non-resident 7 Consecutive Day Registration		\$53.00	Snowmobile Dealer Fee		\$18.00
All-Terrain Vehicle Duplicate Registration		\$1.00	Snowmobile Dealer Plate		\$19.00
All-Terrain Vehicle Sticker		\$1.00	Snowmobile Dealer Temporary Plate		\$4.00
All-Terrain Vehicle Registration Transfer		\$4.00	Resident Snowmobile Duplicate Registration		\$1.00
All-Terrain Vehicle Dealer Temporary Plate		\$4.00	Snowmobile Duplicate Registration Sticker		\$1.00
			Resident Snowmobile Registration Transfer Fee		\$4.00
Watercraft			Non-resident Snowmobile Dealer Registration		\$18.00
Watercraft Registration – under 10 H.P.		\$15.00/ ¹	Non-resident Snowmobile Transfer Registration		\$4.00
		\$25.00	Non-resident Snowmobile Duplicate Registration		\$2.00
Watercraft Registration – 11 to 50 H.P.		\$20.00/ ¹	Non-resident Snowmobile Dealer Plate		\$63.00
		\$30.00	Snowmobile Dealer Replacement Plate		\$8.00
Watercraft Registration – 51 to 115 H.P.		\$26.00/ ¹			
		\$36.00			
Watercraft Registration – 116 H.P. and over		\$34.00/ ¹			
		\$44.00			
Watercraft Registration – personal		\$34.00/ ¹			
		\$44.00			
Watercraft Operator License		\$4.00			
Watercraft Duplicate Sticker		\$1.00			
Watercraft Registration Transfer		\$4.00			
Personal Watercraft Rental Agent		\$28.00			
Watercraft Dealer Temporary Plate		\$4.00			
Watercraft Dealer 20-Day Temporary Registration		\$1.00			

¹The larger fee in each category is for watercraft operating on inland waters while the lower fee is for watercraft operating only on tidal waters.

ATV, Snowmobile and Watercraft Fees

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$4,149,038	\$3,379,530	\$7,528,568
2006	\$3,476,885	\$3,325,991	\$6,802,876
2007	\$4,162,079	\$3,765,894	\$7,927,973
2008	\$4,295,524	\$4,273,302	\$8,568,826
2009	\$4,262,523	\$4,291,877	\$8,554,400
2010	\$4,730,068	\$4,021,441	\$8,751,509
2011	\$4,437,431	\$4,073,758	\$8,511,189
2012	\$4,340,403	\$3,709,179	\$8,049,582
2013	\$4,444,055	\$4,021,924	\$8,465,979
2004	\$4,304,791	\$4,305,155	\$8,609,946

Revenue Notes – ATV, Snowmobile and Watercraft Fees

The amounts collected by the Department of Inland Fisheries and Wildlife from these fees accrue as General Fund revenue. The amounts distributed to the Department of Agriculture, Conservation and Forestry and the Department of Marine Resources accrue as dedicated revenue to the departments.

History – ATV, Snowmobile, and Watercraft Fees

The initial annual registration fee for ATV's was set at \$5 by PL 1983, c. 297. The initial annual registration fee for snowmobiles was set at \$11.25 by PL 1979, c. 420. The initial annual registration fee for watercraft was set at \$5 by PL 1979, c. 420. The fees for each registration category have been amended and increased several times since their initial authorization. PL 2009, c. 213, Part OO increased boat registrations by \$5, with the \$5 distributed as General Fund monies and not subject to the allocation formula with the Department of Marine Resources. PL 2011, c. 116 created a nonresident short-term (7 consecutive days) All-Terrain Vehicle registration with a fee of \$53. PL 2011, c. 533 created a watercraft dealer 20-day temporary registration. PL 2013, c. 368 Part AAA repeals the provision distributing \$8 of each watercraft registration to the General Fund prior to the allocation of revenue between the General Fund and the Department of Marine Resources dedicated account. It also changes the distribution between the two funds from an allocation method agreed to by the departments to 75% to the General Fund and 25% to the Department of Marine Resources. This provision is effective July 1, 2013.

LAKE AND RIVER PROTECTION STICKER FEES – 12 M.R.S.A. §13058

All motorboats, personal watercraft and seaplanes operating on the inland waters of Maine are required to have a valid lake and river protection sticker. Annual fees are \$10 for each motorboat and personal watercraft registered in Maine, \$20 for each motorboat and personal watercraft with out-of-state registrations and \$20 for all seaplanes. Funds collected from sticker fees are distributed as follows: eighty percent is credited to the Invasive Aquatic Plant and Nuisance Species Fund within the Department of Environmental Protection, and twenty percent is credited to the Lake and River Protection Fund within the Department of Inland Fisheries and Wildlife. Funding is distributed to the Department of Environmental Protection and to the Department of Inland Fisheries and Wildlife for inspection, public information and enforcement purposes.

Lake and River Protection Sticker Fees

Fiscal Year	Other Special Revenue Funds		Total Funds
	Environmental Protection	Inland Fisheries & Wildlife	
2005	\$479,473	\$319,666	\$799,139
2006	\$509,574	\$339,716	\$849,290
2007	\$869,234	\$579,507	\$1,448,741
2008	\$777,981	\$518,634	\$1,296,615
2009	\$754,358	\$502,906	\$1,257,264
2010	\$584,794	\$389,862	\$974,656
2011	\$621,377	\$414,252	\$1,035,629
2012	\$758,534	\$505,690	\$1,264,224
2013	\$671,996	\$447,998	\$1,119,994
2014	\$703,450	\$376,258	\$1,079,708

Revenue Notes – Lake and River Protection Sticker Fees

Revenue from this fee accrues as dedicated revenue to the Invasive Aquatic Plant and Nuisance Species Fund and the Lake and River Protection Fund.

History – Lake and River Protection Sticker Fees

Effective June 20, 2001, PL 2001, c. 434 set the annual fees at \$10 for each motorboat and personal watercraft registered in Maine and \$20 for each motorboat and personal watercraft with out-of-state registrations. PL 2009, c. 213, Part OO added protection stickers for seaplanes at \$20, whether or not registered in Maine. PL 2013, c. 580, increased the percentage of fees credited to the Invasive Aquatic Plant and Nuisance Species Fund from 60% to 80% and reduced the percentage of fees credited to the Lake and River Protection Fund from 40% to 20%

PARI-MUTUEL REVENUE – 8 M.R.S.A. c. 11

A commission is collected on live harness racing, race track simulcasting and off-track betting on horse racing. The commission for intrastate pools is 18% on regular wagers and 26% on exotic wagers. The commission on interstate common pools is the amount established by the state where the wager is pooled. Amounts collected as commissions are distributed among the Sire Stakes Fund, the Off-Track Betting Simulcast Fund, the Stipend Fund, the Purse Supplement Fund, and the Harness Racing Promotional Fund or retained by or returned to race tracks and off-track betting facilities.

Pari-Mutuel Revenue

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$967,495	\$3,274,455	\$4,241,950
2006	\$918,215	\$2,816,289	\$3,734,504
2007	\$903,916	\$2,584,049	\$3,487,965
2008	\$766,982	\$2,232,734	\$2,999,716
2009	\$0	\$2,918,269	\$2,918,269
2010	\$0	\$2,446,988	\$2,446,988
2011	\$0	\$2,342,666	\$2,342,666
2012	\$0	\$2,379,307	\$2,379,307
2013	\$0	\$2,067,834	\$2,067,834
2014	\$0	\$1,815,703	\$1,815,703

Revenue Notes – Pari-Mutuel Revenue

The General Fund revenue through fiscal year 2007 reflects revenue generated by license fees for harness horse racing, and the Other Special Revenue Funds amounts reflect the amounts accruing to the various dedicated accounts. Effective July 1, 2008, all revenues related to harness horse racing accrue to a dedicated account.

History – Pari-Mutuel Revenue

Adopted 1935. Amended several times to adjust the percentage take-outs on types of wagers and the percentages of distribution to the various funds. Amended 1991, reducing rates and allowing off-track betting. Amended 1993, specifying take-outs from off-tracking betting facilities and establishing the Harness Racing Promotional Fund. Amended in 1995 to increase the Agricultural Fair Stipend to \$400,000. In 1997, the cap on wagers for the Commercial Meet Stipend Fund was increased from \$33.5 to \$35 million. PL 2007, c. 539, Part G established a dedicated account to which all harness horse racing revenues accrue beginning in fiscal year 2009.

RACINO AND CASINO REVENUE – 8 M.R.S.A. c. 31

Racino and casino revenue is collected from slot machines and table game operation that are currently authorized to be located on the premises of one commercial racetrack in Bangor and on the premises of one location in Oxford County. The Bangor facility (Hollywood Casino) was originally licensed in fiscal year 2005 as a racino. In fiscal year 2012, the facility was licensed as a casino and subsequently added table games. The Oxford facility (Oxford Casino) was licensed as a casino in fiscal year 2012 with both slot machines and table games. Under current law (8 MRSA §1036), Hollywood Casino is taxed at the

rate of 1% of the gross slot income (the amount collected from slot machine players), 39% of the net slot machine income and 16% of the net table game income. Oxford Casino is taxed at the rate of 46% of net slot machine income and 16% of net table game income. The following chart summarizes the different tax bases and the distribution of funds for each facility in effect for fiscal year 2013.

In addition to the tax collected from the facilities, various licensing and registration fees are levied upon the private entities that own and operate the slot machines and table games. As required by the provisions of 8 M.R.S.A §1018, the following registration and licensing fees are deposited into the General Fund: A \$100 initial and annual registration fee for both registered slot machines and table games; \$200,000 for initial application fee for slot distributor license with an annual renewal fee of \$75,000; \$200,000 for initial application fee for slot machine operator license with an annual renewal fee of \$75,000 plus a fee determined by rule; \$225,000 for initial application fee for casino operator license with an annual renewal fee of \$80,000 plus a fee determined by rule; \$2,000 annual application fee for gambling services vendors; \$5,000 initial application fee for table game distributor license with an annual renewal fee of \$1,000 and \$250 for the initial application fee for employee license with an annual renewal fee of \$25. In addition, \$25,000 of the annual renewal fee for slot machine operators and casino operators must be sent to the municipality where the facility is located.

Racino and Casino Revenue Distribution

Tax Base and Purpose	Hollywood Casino		Oxford Casino	
	Slot	Table	Slot	Table
% of Gross Machine Revenue:				
General Fund	1.0%	0.0%	0.0%	0.0%
% of Net Machine and Gaming Revenue: ¹				
General Fund ²	4.0%	9.0%	3.0%	0.0%
Gambling Control Board	0.0%	3.0%	0.0%	3.0%
Fund for a Healthy Maine ³	10.0%	0.0%	0.0%	0.0%
Fund to Supplement Harness Racing Purses	10.0%	0.0%	1.0%	0.0%
Sire Stakes Fund	3.0%	0.0%	1.0%	0.0%
Agricultural Fair Support Fund	3.0%	0.0%	1.0%	0.0%
Fund to Encourage Racing at Commercial Tracks	4.0%	0.0%	0.0%	0.0%
Fund to Stabilize Off-track Betting Facilities ⁴	1.0%	0.0%	0.0%	0.0%
University of Maine Scholarship Fund	2.0%	0.0%	4.0%	0.0%
Community College System Scholarship Fund	1.0%	0.0%	3.0%	0.0%
Department of Education, K-12 Education	0.0%	0.0%	25.0%	10.0%
Penobscot Nation and Passamaquoddy Tribe	0.0%	0.0%	4.0%	0.0%
Maine Dairy Farm Stabilization Fund	0.0%	0.0%	1.0%	0.0%
Coordinated Veterans Assistance Fund	0.0%	2.0%	0.0%	0.0%
Host County	0.0%	0.0%	1.0%	1.0%
Host Municipality	1.0%	2.0%	2.0%	2.0%
Host Municipality - Paid directly by Operator ⁵	3.0%	0.0%	0.0%	0.0%

¹ Hollywood Casino's net machine income for the calculation of the other distributions includes the reduction of the 1% payment on gross slot machine income in addition to the player paybacks.

² Law requires the transfers of funds from the General Fund to the Gambling Addiction Prevention and Treatment Fund of \$50,000 in fiscal years 2012 and 2013 and \$100,000 annually beginning in fiscal year 2014.

³ For fiscal years 2010, 2011 and 2012 the amount distributed to this Fund was capped at \$4,500,000 with any excess amounts credited to the General Fund. For fiscal year 2013 the distribution to this Fund was eliminated.

⁴ The amount distributed to this Fund was 2% until November 5, 2009, at which time it was reduced to 1% with the remaining 1% distributed to the General Fund.

⁵ The City of Bangor receives 3% of the net slot machine income that does not pass through the state directly from Hollywood Casino.

Racino and Casino Revenue

Fiscal Year	General Fund	Fund for a Healthy Maine	Other Special Revenue Funds	Total All Funds
2005	\$401,115	\$0	\$2,000	\$403,115
2006	\$4,346,725	\$1,771,173	\$4,630,049	\$10,747,947
2007	\$7,703,401	\$3,538,805	\$9,225,892	\$20,468,098
2008	\$7,617,512	\$3,735,774	\$9,738,011	\$21,091,297
2009	\$8,730,346	\$4,981,163	\$13,006,647	\$26,718,156
2010	\$10,421,318	\$4,500,000	\$13,767,645	\$28,688,963
2011	\$10,597,066	\$4,500,000	\$13,521,639	\$28,618,705
2012	\$12,424,557	\$4,500,000	\$14,489,306	\$31,413,863
2013	\$14,429,212	\$0	\$37,468,122	\$51,897,334
2014	\$8,671,537	\$4,158,208	\$41,482,585	\$54,312,331

Revenue Notes – Racino and Casino Revenue

Fiscal year 2005 revenue represents license fee and background check reimbursement revenue, which accrue to the General Fund. A temporary facility opened in Bangor in November 2005 and slot machine revenue began to accrue in fiscal year 2006. A larger permanent slot machine facility opened in Bangor in July of 2008. The Bangor facility added table games in March of 2012 and fiscal year 2012 revenue reflects these games. Oxford Casino opened in June of 2012 with both slot machines and table games and accrued revenue in fiscal year 2012.

History – Racino Revenue

First authorized by IB 2003, c. 1, which was effective January 4, 2004 and was enacted into law as 8 MRSA, c. 30. 8 MRSA c. 30 was repealed and replaced by PL 2003, c. 687, 8 MRSA c. 31, implementing several technical amendments. PL 2005, c. 11 and PL 2005, c. 663 also implemented some additional technical amendments. PL 2009, c. 462, Part H capped the amount credited to the Fund for a Healthy Maine at \$4,500,000 for fiscal years 2010, 2011 and 2012 with any amounts in excess of that amount credited to the General Fund. PL 2009, c. 622, dedicates a portion, beginning in fiscal year 2012, of the 3% of the net slot machine income received by the General Fund to the Gambling Addiction Prevention and Treatment Fund. In fiscal years 2012 and 2013, \$50,000 will be transferred to this Fund, and for fiscal year 2014 and each fiscal year thereafter, \$100,000 will be transferred to this Fund. IB 2009, c. 2 established a casino in Oxford County which was ratified by the voters of Maine in November 2011. PL 2011, c. 417 allowed the Bangor facility to establish table games which was ratified by the Penobscot County voters in November 2011. PL 2011, c. 380, Part II extended the \$4,500,000 cap on Fund for a Healthy Maine distributions to fiscal year 2013, c. 477 Part DD reduced the cap to \$2,500,000 in fiscal year 2013 and c. 657 Part E eliminated the distribution to the Fund for a Healthy Maine during fiscal year 2013. PL 2011, c. 469 changed the distribution of license fees, effective fiscal year 2014, from the General Fund to the Gambling Control Board, Other Special Revenue Funds. PL 2011, c. 625 reduced, from 1% to ½%, the amount of Oxford Casino net slot machine revenue received by the Maine Dairy Farm Stabilization Fund with the remaining ½% deposited into the Dairy Improvement Fund (effective with fiscal years beginning July 1, 2013). PL 2013, c. 118 changes, effective October 9, 2013, the amount of slot income deposited from both casinos to the University of Maine Scholarship Fund to allow a portion to be deposited to Maine Maritime Academy based on the ratio of enrolled students.

LOTTERY REVENUE – 8 M.R.S.A. c 14-A & c. 16

Revenue from the sale of lottery tickets, net of the costs of administering the lottery and the set aside of funds for prizes, is transferred to the State as General Fund revenue. In addition to its own instant ticket games, the Maine Lottery participates with the New Hampshire and Vermont lotteries as a member of Tri-State Lottery Compact. The Maine Lottery is also a member of the Powerball Multistate Lottery. Pursuant to Title 12 M.R.S.A., Chapter 903, the Maine Lottery also administers a wildlife lottery game to raise funds for the Maine Outdoor Heritage Fund. Maine Law (Title 8 M.R.S.A., §387) requires that at least 45% of sales must be returned to the players in the form of prizes. The actual distribution of lottery revenue in fiscal year 2013 was as follows:

- 63.6% - Prizes
- 6.5% - Agent Commissions
- 3.8% - Vendor Fees
- 0.62% - Other Cost of Goods Sold
- 2.6 % - Lottery Operating Expenses
- 22.7% - Transfer to General Fund
- 0.3% - Transfer to Outdoor Heritage Fund

Lottery Revenue

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$49,328,102	\$800,309	\$50,128,411
2006	\$50,879,647	\$908,065	\$51,787,711
2007	\$50,624,741	\$810,598	\$51,435,339
2008	\$49,491,086	\$811,844	\$50,302,930
2009	\$49,839,434	\$734,120	\$50,573,554
2010	\$52,201,531	\$669,789	\$52,871,320
2011	\$49,547,800	\$645,824	\$50,193,623
2012	\$53,785,567	\$530,622	\$54,316,189
2013	\$52,908,602	\$593,629	\$53,502,231
2014	\$51,845,477	\$574,142	\$52,419,619

Revenue Notes – Lottery Revenue

Other Special Revenue Funds above are the amounts that accrued to the Outdoor Heritage Fund within the Department of Inland Fisheries and Wildlife.

History – Lottery Revenue

Approved at public referendum in 1973. Amended in 1985 to allow Maine's participation in the Tri-State Lotto Compact. Amended in 1990 to allow the Lottery to participate in an additional multi-state lottery, Lotto*America. Maine stopped participating in Lotto*America in April 1992. Amended in 1995 to require the Lottery to initiate a wildlife lottery game to raise funds for the Maine Outdoor Heritage Fund (PL 1995, c. 494). Amended in 2004 to allow participation in the Powerball multistate lottery beginning in fiscal year 2005 (PL 2005, c. 673). In accordance with PL 2009, c. 571, Part LLLL, the Department of Administrative and Financial Services, State Liquor and Lottery Commission entered into an agreement to offer the multijurisdictional lottery game known as Mega Millions effective May 2, 2010.

TRANSFERS FOR MUNICIPAL REVENUE SHARING – 30-A M.R.S.A. §5681

No later than the 10th day of each month, the State Controller transfers to the Local Government Fund 5% of the taxes collected and credited to the General Fund during the previous month under Title 36, Parts 3 and 8, as well as 5% of the taxes collected and credited to the General Fund under Title 36, section 2552, subsection 1, paragraphs A – F and L, which include the following taxes:

- The individual income tax;
- The corporate income tax;
- The franchise tax on financial institutions;
- A portion of the service provider tax; and
- Sales and use taxes.

Beginning in fiscal year 2010, fixed-dollar transfers back to the General Fund from the Local Government Fund were implemented to reduce amounts to be distributed through the revenue sharing programs without affecting the revenue sharing aspect of the 5% transfer provision. These statutory amounts are \$25,383,491 in fiscal year 2010, \$38,145,323 in fiscal year 2011, \$40,350,638 in fiscal year 2012, \$44,267,343 in fiscal year 2013, \$73,306,246 in fiscal year 2014 and \$85,949,391 in fiscal year 2015. These amounts are divided into monthly transfers.

The amounts in the Local Government Fund are distributed to municipalities on the 20th day of each month by the State Treasurer, based upon a percentage of the total amount in the Local Government Fund. Each municipal entity receives a percentage of the total amounts to be distributed based upon a weighting of its population and local property tax burden factors. These distributions have also been referred to as “Revenue Sharing I” distributions.

A portion of the total amounts transferred monthly to the Local Government Fund must be transferred, in turn, to the Disproportionate Tax Burden Fund. Distributions from that fund to municipal entities have been referred to as “Revenue Sharing II” distributions. The percentage for all Revenue Sharing II distributions is set by statute at 15% for fiscal year 2010, increasing each year thereafter at the rate of 1% per year until reaching 19% in fiscal year 2014, and at the rate of 20% for subsequent fiscal years. In addition, a fixed-dollar amount is separately transferred from the General Fund to the Disproportionate Tax Burden Fund as follows:

- \$2 million in fiscal year 2010
- \$2.5 million in fiscal year 2011
- \$3 million in fiscal year 2012
- \$3.5 million in fiscal year 2013, and
- \$4 million in fiscal year 2014 and in subsequent fiscal years.

The State Treasurer distributes funds from the Disproportionate Tax Burden Fund to municipalities on the 20th day of each month. Funds are distributed to each municipal entity according to a percentage of the total amount. The percentage is calculated using the mill rate amount in excess of 10 mills, applying a weighting factor similar to that used in Revenue Sharing I, but only factors in municipal entities with mill rates in excess of 10 mills when calculating the amounts of Revenue Sharing II distributions. Beginning on July 1, 2013, if the total revenue-sharing distribution from the Local Government Fund is provided to Revenue Sharing I municipalities without transfer or reduction, the threshold for Revenue Sharing II municipalities will gradually be increased until only municipalities with an equalized property tax rate in excess of the statewide average property tax rate are entitled to a share of the Disproportionate Tax Burden Fund transfer each year.

Transfers for Municipal Revenue Sharing

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	(\$110,112,814)	\$119,712,814	\$9,600,000
2006	(\$124,222,180)	\$124,222,180	\$0
2007	(\$125,490,756)	\$125,069,834	(\$420,922)
2008	(\$135,820,175)	\$135,820,175	\$0
2009	(\$102,160,745)	\$102,160,745	\$0
2010	(\$97,425,079)	\$97,425,079	\$0
2011	(\$93,156,725)	\$93,156,725	\$0
2012	(\$96,876,964)	\$96,876,964	\$0
2013	(\$95,974,153)	\$95,974,153	\$0
2014	(\$66,063,110)	\$66,063,110	\$0

Revenue Notes – Transfers for Municipal Revenue Sharing

The General Fund column shows the amounts of General Fund revenue transferred from individual income tax, corporate income tax, franchise tax on financial institutions, sales and use taxes and a portion of the service provider tax. The Other Special Revenue Funds column shows the amounts transferred to the Local Government Fund and the Disproportionate Tax Burden Fund. The significant differences in fiscal years 2004 and 2005 represent transfers back to the General Fund that were replaced by transfers from Highway Fund balances of \$13,570,000 and \$9,600,000, respectively. The Highway Fund transfers were not reflected as revenue transfers. At the close of fiscal year 2009, the June transfer of \$18.2 million was not made, increasing total General Fund revenue by that amount. The July 2009 transfer to the Local Government Fund was based on June 2009 revenue and began the new procedure for the calculation and timing of revenue sharing transfers. This new process and the delay in the transfer from the General Fund beginning in June of 2009 did not affect the payments to municipalities.

History – Transfers for Municipal Revenue Sharing

First implemented by PL 1971, c. 478. For fiscal years 1972 and 1973, the distributions were provided by appropriations of \$2,900,000 and \$3,700,000, respectively. Beginning July 1, 1973, 4% of the collections of the individual income tax, corporate income tax, franchise tax on financial institutions and sales and use taxes were set aside for distribution to municipalities. PL 1981, c. 522, effective July 1, 1983, required in addition to the 4% that \$237,000 of sales and use tax receipts be transferred monthly to the Local Government Fund for municipal revenue sharing. Amended by PL 1983, c. 855 to increase the percentage from 4% to 4.75%, effective June 30, 1984, and to increase the percentage again from 4.75% to 5.1%, effective July 1, 1985. PL 1991, c. 780, part Q, effective August 1, 1992, eliminated the provision requiring the transfer of the \$237,000 per month or \$2,844,000 annually from sales and use tax receipts.

The transfers to the Local Government Fund were suspended for 6 months in fiscal year 1992 to achieve approximately \$32.5 million in additional General Fund revenue. This suspension was partially offset by a General Fund appropriation of \$14,400,000 in the same fiscal year. PL 2001, c. 559, Part G postponed to May 1, 2003 the increase to 5.2% originally schedule for January 1, 2003 by PL 2001, c. 439, Part OO. PL 2001, c. 714, Part Y further postponed the increase to 5.2% until July 1, 2003. PL 2003, c. 20, Part W further postponed the increase to 5.2% until July 1, 2005. PL 2003, c. 20, Part AAA transferred \$13,570,000 in fiscal year 2004 and \$9,600,000 from the Local Government Fund to the General Fund and replaced the funding with balance transfers from the Highway Fund. PL 2005, c. 12, Part E postponed the increase to 5.2% until July 1, 2007. PL 2005, c. 2, Part H re-based the annual growth ceiling on the Local Government Fund. PL 2007, c. 240, Part S postponed the increase to 5.2% until July 1, 2009. PL 2005, c. 457, Part DD transferred \$5,000,000 from the Local Government Fund back to the General Fund. PL 2005, c. 623 required annual transfers from the General Fund to the Disproportionate Tax Burden Fund increasing to \$4,000,000 in fiscal year 2014 and thereafter.

PL 2009, c. 213 Part S decreased the amount transferred to 5% beginning July 1, 2009 and changed the tax base on which the transfers are calculated. Part S also replaced the annual growth ceiling determination of the amounts transferred to the Disproportionate Tax Burden Fund with a fixed percentage transfer, initially set at 15% of transfers to the Local Government Fund in fiscal year 2010, and then increasing by 1% each year until reaching 20% in fiscal year 2015. PL 2009, c. 213 Part S also required a one-time transfer of \$18,758,840 in fiscal year 2010 and \$25,260,943 in fiscal year 2011 from the Local Government Fund to the General Fund. PL 2011, c. 1 Part N increased the amount of the one-time transfer from the Local Government Fund to the General Fund scheduled in fiscal year 2011 to \$38,145,323. PL 2011, c. 380, Part I continued the one-time transfers into fiscal year 2012 and 2013 at \$40,350,638 and \$44,267,343, respectively. PL 2011, c 656 provides that beginning on July 1, 2013, if the total revenue-sharing distribution from the Local Government Fund is provided to Revenue Sharing I municipalities without transfer or reduction, the threshold for Revenue Sharing II municipalities will gradually be increased until only municipalities with an equalized property tax rate in excess of the statewide average property tax rate are entitled to a share of the Disproportionate Tax Burden Fund transfer each year. PL 2013, c. 368, Part J continued the one-time

transfers from the Local Government Fund to the General Fund at \$73,306,246 for fiscal year 2014 and at \$85,949,391 for fiscal year 2015. Part S of that law also added an additional contingent \$40,000,000 transfer for fiscal year 2015 if a review of tax expenditures pursuant to that part did not enact prior to July 1, 2014 an increase of budgeted General Fund revenue of \$40,000,000 in fiscal year 2015. PL 2013, c. 487 repealed the \$40,000,000 contingent transfer contained in PL 2013, c. 368, Part S.

TAX RELIEF PROGRAM TRANSFERS – 36 M.R.S.A. c. 105, sub-chapter 4-C, c. 907 and c. 915

Funding for three of the major tax relief and tax reimbursement programs has been provided through transfers from General Fund revenue to various reserve accounts, from which the expenditures are made. These revenue reductions are directed by statute for programs that previously were funded by General Fund appropriations. Prior to fiscal year 2010, these transfers were specifically designated as reductions of individual income tax revenue, and consequently reduced the amount of transfers for municipal revenue sharing. In fiscal year 2010, however, these transfers began to be recorded as reductions of General Fund revenue, thus no longer specifically reducing individual income tax revenue. A summary of these three programs is provided below. The revenue table indicates the fiscal years for which the programs were implemented as revenue reductions.

The **Maine Residents Property Tax (“Circuit Breaker”)** program permits eligible Maine residents to apply for and receive a refund of property taxes and/or rent paid on their primary residence. One refund claim per household/homestead is allowed annually. The maximum possible refund per household is normally \$2,000, but is currently \$1,600 due to the benefit limit described below. Different income threshold amounts apply to single persons, couples and seniors. Additionally, property taxes must exceed 4% of annual income and rental payments must exceed 20% of annual income for the refund to be awarded. For application periods beginning August 1, 2009 through August 1, 2012, the benefits are limited to 80% of the amount to which those households would otherwise be eligible under the program. The program was repealed in 2013 and replaced with an income tax credit.

The **Business Equipment Tax Reimbursement (“BETR”)** program provides a refund of tax to reimbursement claimants for qualifying business equipment property first placed in service in Maine between April 2, 1995 and April 1, 2007. The program also grants a reimbursement for certain retail equipment even if placed into service after April 1, 2007. The reimbursement rate is 100% for the first 12 years (except for taxes paid in calendar years 2005, 2008, 2009 and 2012, which had a 90% reimbursement rate and taxes paid in 2013 which have an 80% reimbursement rate). Beyond 12 years, the reimbursement rate is reduced each year, until it reaches a reimbursement rate of 50% in the 18th year and subsequent years.

The **Business Equipment Tax Exemption (“BETE”)** program is a 100% municipal property tax exemption for qualifying business equipment property first subject to assessment on or after April 1, 2008. There is no time limit on the length of the exemption. While certain property is “grandfathered” under BETR, BETE effectively picks up where the BETR program schedule leaves off and applies to the same type of property and benefits the same kinds of applicants as BETR, except that certain retail equipment covered by BETR is not eligible for exemption under BETE and continues to be covered under the BETR program. The General Fund transfers provide for reimbursement to municipalities for property tax losses to the exemption.

Tax Relief Program Transfers

Fiscal Year	General Fund	General Fund	General Fund	Total All Funds
	Circuit Breaker Transfers	BETR Program Transfers	BETE Municipal Reimbursement	
2005	(\$26,030,227)	\$0	\$0	(\$26,030,227)
2006	(\$42,796,070)	(\$67,065,810)	\$0	(\$109,861,880)
2007	(\$44,440,759)	(\$66,553,092)	\$0	(\$110,993,852)
2008	(\$46,689,380)	(\$67,875,376)	\$0	(\$114,564,757)
2009	(\$48,751,672)	(\$66,009,487)	(\$8,170,661)	(\$122,931,820)
2010	(\$40,851,593)	(\$58,198,436)	(\$14,554,901)	(\$113,604,930)
2011	(\$41,449,010)	(\$55,220,851)	(\$17,264,724)	(\$113,934,585)
2012	(\$43,411,086)	(\$52,805,042)	(\$19,128,057)	(\$115,336,149)
2013	(\$41,841,767)	(\$48,854,458)	(\$20,978,108)	(\$111,674,333)
2014	(\$743,282)	(\$40,374,677)	(\$24,240,027)	(\$65,357,986)

Revenue Notes – Tax Relief Program Transfers

From fiscal year 2005 to 2009, the transfers to the tax relief programs were by statute deducted from Individual Income Tax revenue prior to the calculation of the transfer to revenue sharing, so that these transfers reduced the transfers for municipal revenue sharing by the amount of the gross transfers. Beginning in fiscal year 2010, the transfers to the tax relief programs are deducted from General Fund undedicated revenue and, as a result, no longer reduce municipal revenue sharing.

History – Tax Relief Program Transfers

The implementation of these programs as revenue reductions/transfers was implemented by the following legislation: PL 2003, chapter 673, Part BB, effective in fiscal year 2005, for the Circuit Breaker program; PL 2005, chapter 12, Part BBB, effective in fiscal year 2006 for the BETR program; and PL 2005, Chapter 623, effective in fiscal year 2009 for the BETE program. All three programs were amended commencing fiscal year 2010 to specify that their funds are subtracted from General Fund undedicated revenue without attribution to the individual income tax category in PL 2009, c. 213, Part S. PL 2013, c. 368, Part K changed the reimbursement under the BETR program for August 1, 2013 to 90% of the amount of taxes assessed and paid and to 80% of that amount for claims filed for application periods that begin on August 1, 2014. PL 2013, c. 368, Part L terminated the Circuit Breaker Program as of August 1, 2013 and replaced it with a state income tax credit.

CONTRIBUTIONS AND TRANSFERS FROM OTHER FUNDS

This revenue classification is used to record contributions and transfers between state funds. For the General Fund, the most significant transfer is the annual transfer from the Office of the State Treasurer as the administrator of the Uniform Unclaimed Property Act. Unclaimed property is turned over to the State Treasurer and the funds are deposited into the Unclaimed Property Fund. At the end of each fiscal year, amounts in excess of \$500,000 in that fund are transferred to the General Fund. Major transfers out from the General Fund to Other Special Revenue Funds include the transfer to the Maine Clean Elections Fund (beginning in fiscal year 1999), the transfer to the Tourism Marketing Fund (beginning in fiscal year 2004) and the transfer to the Maine Milk Pool (beginning in fiscal year 2006). For the Highway Fund, the major transfer in represents annual revenue collected in the Municipal Excise Tax Reimbursement Fund that remains after reimbursement to participating municipalities (beginning in fiscal year 2003).

Contributions and Transfers from Other Funds

Fiscal Year	General Fund	Highway Fund	Other Special Revenue Funds	Federal Funds	Total All Funds
2005	\$49,312	\$1,599,006	\$17,495,307	\$11,748	\$19,155,374
2006	\$1,808,432	\$1,739,426	\$15,567,992	\$222,550	\$19,338,400
2007	(\$5,358,634)	\$1,989,389	\$19,890,276	\$208,918	\$16,729,948
2008	\$2,033,214	\$1,825,540	\$11,793,533	\$236,846	\$15,889,133
2009	(\$6,447,400)	\$1,969,010	\$22,640,230	\$151,695	\$18,313,534
2010	(\$23,524,197)	\$1,850,017	\$27,398,381	(\$37,916)	\$5,686,285
2011	(\$15,157,237)	\$1,791,825	\$16,278,908	\$76,425	\$2,989,922
2012	(\$8,277,772)	\$2,206,285	\$16,030,743	\$194,155	\$10,153,411
2013	(\$11,231,481)	\$2,466,811	\$24,639,754	\$74,676	\$15,949,760
2014	(\$7,550,720)	\$2,863,890	\$20,290,680	\$69,752	\$15,673,602

STATE COST ALLOCATION PROGRAM TRANSFERS

For the purpose of allocating General Fund central administrative costs to other state funds, a charge is made against certain Highway Fund, Federal Funds, Other Special Revenue Funds, Internal Service Funds and Enterprise Funds expenditures. These expenditures include Personal Services and All Other expenditures, except grants and pensions, and exclude Capital Expenditures. The charge is calculated as a percentage assessment of actual expenditures. The percentage assessment represents an equitable distribution of the indirect benefits received by all fund sources from General Fund-supported central service agencies in accordance with the Federal Office of Management and Budget Circular A-87. This revenue accrues to the General Fund. The Highway Fund amounts reflect a revenue transfer that offsets the expenditures made for the operations and maintenance associated with certain buildings and grounds. This amount is transferred from the General Fund to the Highway Fund.

State Cost Allocation Program Transfers

Fiscal Year	General Fund	Highway Fund	Total All Funds
2005	\$12,891,574	\$1,726,662	\$14,618,237
2006	\$13,281,561	\$1,750,557	\$15,032,118
2007	\$15,428,622	\$1,890,585	\$17,319,208
2008	\$16,289,386	\$1,958,050	\$18,247,436
2009	\$16,078,376	\$2,395,365	\$18,473,742
2010	\$16,008,673	\$1,641,649	\$17,650,322
2011	\$14,408,282	\$1,543,685	\$15,951,967
2012	\$13,652,052	\$1,978,753	\$15,630,804
2013	\$15,599,487	\$1,935,194	\$17,534,681
2014	\$18,857,275	\$2,016,040	\$20,873,315

Revenue Notes – State Cost Allocation Program Transfers

In fiscal year 2006, \$500,000 was transferred to the Office of Information Services Internal Service Fund for the partial payment toward the implementation of the new accounting system. This one-time transfer was approved retroactively by PL 2007, c. 1.

REVENUE FROM FEDERAL GOVERNMENT

This category of revenue includes funds received from the Federal Government. The largest portion of this revenue category is deposited in the Federal Expenditures Fund and the Federal Block Grant Funds. The largest revenue sources under this category include federal grants for Department of Health and

Human Services programs (primarily Medicaid, Temporary Assistance for Needy Families (TANF), and public health block grants), as well as federal grants for education, labor and transportation programs.

There are some situations in which other funds record revenue from the Federal Government. For example, the Department of Corrections receives federal funds for the housing of federal prisoners at both adult and juvenile facilities. These funds are deposited as General Fund revenue to offset General Fund expenditures. This category of revenue also reflects Medicaid reimbursement for case management services provided by the Department of Health and Human Services. Federal Medicaid matching funds for these services are deposited as General Fund revenue.

Revenue From Federal Government

Fiscal Year	General Fund	Highway Fund	Other Special Revenue Funds	Federal Funds	Total All Funds
2005	\$40,791,477	(\$5)	\$1,510,119	\$2,297,239,267	\$2,339,540,858
2006	\$33,241,581	\$0	\$1,183,021	\$2,353,186,448	\$2,387,611,051
2007	\$33,609,841	\$0	\$1,103,062	\$2,149,689,576	\$2,184,402,479
2008	\$22,686,254	\$465,119	\$6,864,468	\$2,192,803,891	\$2,222,819,731
2009	\$22,560,429	\$3,379	\$2,624,276	\$2,846,574,162	\$2,871,762,246
2010	\$22,711,571	\$0	\$2,123,354	\$3,127,621,445	\$3,152,456,370
2011	\$20,137,669	\$0	\$5,598,503	\$3,048,978,925	\$3,074,715,098
2012	\$7,996,296	\$23	\$3,443,553	\$2,699,692,667	\$2,711,132,539
2013	\$5,067,589	\$0	\$1,799,578	\$2,613,813,369	\$2,620,680,535
2014	\$5,523,054	\$0	\$6,684,651	\$2,755,926,834	\$2,768,134,539

Revenue Notes – Revenue From Federal Government

A number of Department of Health and Human Services (DHHS) revenue sources have been reclassified as “Revenue From Federal Government” that had previously been classified as “Services Charges for Current Services”. These are primarily federal revenues that have been received under DHHS cost allocation plan and for Medicaid Advocacy services. The reduction beginning in fiscal year 2012 in General Fund revenue from this source was primarily the result of changes in DHHS policy that resulted in a decrease in targeted case management billing. A major contributor to the reduction Federal Funds revenue from this source beginning in fiscal year 2012 was the phase-out of enhanced Federal Medicaid matching funds that were provided under the American Recovery and Reinvestment Act (ARRA) of 2009. Fiscal year 2014 includes \$306.7 million in federal matching funds for MaineCare’s \$490.2 million settlement payment to hospitals as authorized under PL 2013, c. 269. The \$183.5 million Other Special Revenue Funds state share of these payments was made from bond proceeds from the sale of liquor operation revenue bonds and is included as Revenue From Private Sources.

REVENUE FROM LOCAL GOVERNMENTS

This category of revenue includes most funds paid by municipal and county governments to the State. In the General Fund, most of this revenue results from payments by county governments, except in fiscal years 2003, 2004 and 2005 when the General Fund received intergovernmental payments from municipalities related to municipally funded hospitals. In Other Special Revenue Funds, the majority of this revenue is received by the Department of Public Safety and the Department of Transportation. The Department of Public Safety collects revenue from both municipalities and counties for contractual services provided by the State Police. The Department of Transportation also collects revenue from municipalities for the municipal share of project costs.

Revenue From Local Governments

Fiscal Year	General Fund	Highway Fund	Other Special Revenue Funds	Federal Funds	Total All Funds
2005	\$1,768,145	\$19,138	\$8,703,086	\$245,654	\$10,736,023
2006	\$56,981	\$11,280	\$8,816,175	\$391,897	\$9,276,333
2007	\$116,311	\$11,182	\$12,157,208	\$439,082	\$12,723,783
2008	\$163,451	\$11,536	\$13,834,140	\$348,489	\$14,357,616
2009	\$142,738	\$15,069	\$17,981,361	\$4,973,799	\$23,112,967
2010	\$187,015	\$15,002	\$14,681,163	\$825,061	\$15,708,241
2011	\$219,436	\$14,769	\$14,608,679	\$1,384,124	\$16,227,007
2012	\$281,586	\$14,333	\$11,783,353	(\$2,248,658)	\$9,830,613
2013	\$247,608	\$12,909	\$10,695,776	\$299,964	\$11,256,257
2014	\$273,846	\$12,416	\$32,239,341	\$436,728	\$32,962,331

REVENUE FROM PRIVATE SOURCES

Revenue items included under this category are those cash receipts from individuals that are not otherwise classified. The largest portion of this revenue category is related to Child Support Collections, which primarily accrue to Other Special Revenue Funds. Child Support collections also accrue as General Fund revenue to offset General Fund expenditures for certain programs within the Department of Health and Human Services.

The other major component under this category of General Fund revenue is Old Age Survivors and Disability Insurance payments, resulting from federal benefit payments to an eligible dependent child in the care or custody of the Department of Health and Human Services.

Beginning in fiscal year 2009 this category included Other Special Revenue Funds revenue from the issuance of Grant Anticipation Revenue Vehicles or “GARVEE” bonds authorized in PL 2007, c. 329, Part P-2. Proceeds from these bonds are used for transportation capital projects and are repaid solely from annual federal transportation appropriations for qualified transportation projects.

Revenue From Private Sources

Fiscal Year	General Fund	Highway Fund	Other Special Revenue Funds	Federal Funds	Total All Funds
2005	\$2,663,763	\$0	\$151,182,635	\$4,329,775	\$158,176,172
2006	\$2,844,966	\$0	\$156,298,207	\$5,242,267	\$164,385,441
2007	\$2,087,766	\$0	\$136,160,888	\$4,239,368	\$142,488,022
2008	\$2,488,573	\$0	\$150,264,118	\$5,170,783	\$157,923,473
2009	\$1,335,701	\$0	\$205,774,646	\$5,048,875	\$212,159,222
2010	\$1,940,408	\$0	\$205,340,537	\$4,809,036	\$212,089,981
2011	\$1,644,609	\$0	\$225,691,029	\$4,569,121	\$231,904,759
2012	\$1,632,281	\$0	\$243,733,377	\$4,891,451	\$250,257,109
2013	\$1,476,949	\$0	\$232,617,279	\$5,254,541	\$239,348,770
2014	\$1,716,395	\$20,000	\$395,725,501	\$5,048,248	\$402,510,144

Revenue Notes – Revenue From Private Sources

Fiscal year 2014 includes \$183.5 million in Other Special Revenue Funds revenue from bond proceeds from the sale of liquor operation revenue bonds used as the state share of the \$490.2 million settlement payment to hospitals as authorized under PL 2013, c. 269. The \$306.7 million received in federal matching funds for these MaineCare payments is included as Revenue From Federal Government.

TOBACCO SETTLEMENT PAYMENTS

Tobacco Settlement Payments (TSP’s) represent the ongoing annual payments from tobacco manufacturers under the Master Settlement Agreement (MSA), including the initial payments of approximately \$16 million per year that ended in fiscal year 2003. This category also includes the Strategic Contribution Payments. Under the MSA, beginning in 2008 and continuing for ten years thereafter, states have received Strategic Contribution Payments based on each settling state's contribution to the original state tobacco litigation. All of the payments received by Maine under the MSA accrue to the Fund for a Healthy Maine.

Under the MSA, there are numerous adjustments that affect the annual payment including the inflation adjustment, the volume adjustments and the non-participating manufacturers’ adjustment (NPM adjustment). The NPM adjustment, if applicable, reduces payments by participating manufacturers for a given sales year related to market share losses by participating manufacturers to non-participating manufacturers. Under the MSA, if a state has diligently enforced its Qualifying Statute, the NPM adjustment is not applied to that state’s payment. Beginning in 2006, the participating manufacturers have asserted they were entitled to have the NPM adjustment applied to specified MSA payments. Certain participating manufacturers placed the amounts they argue they were entitled to according to the NPM adjustment in a disputed payments account. These disputed amounts were held back from payments received by the state each year beginning with the April 2006 payment. Whether the participating manufacturers are entitled to the NPM adjustment is in dispute by the states and the issue is in the complex process of being resolved for each contested year. While Maine recently prevailed in its legal challenge related to the NPM adjustment for 2003 calendar year sales, the release of Maine’s share of the disputed payments for that sales year, roughly \$5.6 million, was being challenged and held up by certain states that were not successful in these proceedings. Maine’s 2014 payment does appear to include the \$5.6 million in disputed payments.

Tobacco Settlement Payments

Fiscal Year	Fund for a Healthy Maine		
	Base Payments	Strategic Contribution Payments	Total All Funds
2005	\$49,033,129	\$0	\$49,033,129
2006	\$45,011,759	\$0	\$45,011,759
2007	\$47,113,687	\$0	\$47,113,687
2008	\$47,679,747	\$10,539,443	\$58,219,190
2009	\$52,579,385	\$10,799,369	\$63,378,753
2010	\$43,756,453	\$9,375,838	\$53,132,291
2011	\$41,484,712	\$8,544,647	\$50,029,359
2012	\$42,306,831	\$8,702,217	\$51,009,048
2013	\$42,276,735	\$8,709,923	\$50,986,658
2014	\$47,833,255	\$8,559,647	\$56,392,902

Revenue Notes – Tobacco Settlement Payments

Revenue from Tobacco Settlement Payments accrues to the Fund for a Healthy Maine, which has been considered a separate fund by the Legislature, but is included in Other Special Revenue Funds in the State’s accounting system. PL 2011 c. 701 created a new, separate and distinct fund for Fund for a Healthy Maine accounting and budgetary reporting purposes. Program allocations for the new fund are effective beginning with fiscal year 2014.

SERVICE CHARGES FOR CURRENT SERVICES

This revenue category includes charges such as rents, leases of land or buildings or copying fees. It also includes the revenue generated by the sale of books, maps and other miscellaneous items. In the General Fund and Other Special Revenue Funds, a large portion of the revenue is attributable to reimbursement for care provided at the State's mental health and mental retardation facilities. This category also includes the classification of "Miscellaneous Income" which is used by departments and agencies for any number of reasons. For example, the Department of Health and Human Services (DHHS) uses "Miscellaneous Income" in the General Fund revenue to age certain accounts receivable. The Department of Public Safety is also a substantial contributor to this category with revenue resulting from special services provided upon request. This category also includes some application and exam fees that are associated with some of the license fees categorized under more specific headings, such as Professional and Occupational Fees. Historical amounts have been reduced beginning with the 2008 report to reflect more DHHS revenue as Revenue from Federal Government instead of Service Charges for Current Services.

Service Charges for Current Services

Fiscal Year	General Fund	Highway Fund	Other Special Revenue Funds	Federal Funds	Total All Funds
2005	\$13,194,333	\$4,811,988	\$98,327,211	\$5,111,891	\$121,445,423
2006	\$18,485,679	\$5,223,443	\$99,263,527	\$4,104,944	\$127,077,594
2007	\$10,597,104	\$5,270,563	\$78,907,417	\$1,952,994	\$96,728,079
2008	\$13,220,180	\$4,915,029	\$81,493,050	\$3,138,021	\$102,766,280
2009	\$13,471,593	\$4,894,281	\$90,785,732	\$2,351,163	\$111,502,770
2010	\$19,892,713	\$4,517,417	\$100,164,981	\$1,010,379	\$125,585,489
2011	\$20,764,292	\$4,067,465	\$84,193,161	\$757,473	\$109,782,391
2012	\$29,832,938	\$4,079,530	\$81,169,982	\$694,181	\$115,776,630
2013	\$24,041,266	\$4,204,912	\$84,448,082	\$899,042	\$113,593,302
2014	\$21,481,608	\$3,941,028	\$89,021,278	\$974,815	\$115,418,729

SALES AND COMPENSATION FOR LOSS OF PROPERTY

This includes revenue generated from the sale of assets (buildings, land, automobiles and equipment) and insurance settlements. Revenue accrues to General Fund, Highway Fund, Other Special Revenue Funds or other funds depending on which fund's balance sheet the asset/property is recorded. In the General Fund, the largest portion of this revenue comes from the sale of automobiles. The sale of land and automobiles comprises the bulk of the Highway Fund revenue. For Other Special Revenue Funds, a significant portion of the revenue accrues to the Bureau of Public Lands within the Department of Agriculture, Conservation and Forestry from the sale of timber harvested on public lands.

Sales and Compensation For Loss of Property

Fiscal Year	General Fund	Highway Fund	Other Special Revenue Funds	Federal Funds	Total All Funds
2005	\$231,947	\$5,414,407	\$3,929,316	\$12,267	\$9,587,937
2006	\$224,145	\$347,302	\$5,052,289	\$27,191	\$5,650,927
2007	\$118,728	\$217,945	\$3,361,274	\$7,062	\$3,705,010
2008	\$126,914	\$309,126	\$6,981,630	\$1,065,885	\$8,483,554
2009	\$51,047	\$257,212	\$6,207,465	\$1,269	\$6,516,993
2010	\$215,297	\$192,848	\$5,759,227	\$6,903	\$6,174,276
2011	\$581,770	\$231,958	\$6,268,416	\$968	\$7,083,111
2012	\$150,086	\$175,391	\$4,817,419	(\$18)	\$5,142,879
2013	\$116,431	\$154,550	\$7,219,744	\$1,760	\$7,492,485
2014	\$140,707	\$186,805	\$10,570,313	\$25,444	\$10,923,268

FINES, FORFEITS AND PENALTIES

This revenue category includes all revenue related to fines and penalties, which is collected primarily by the Judicial System. This category also includes certain collection expenses of Maine Revenue Services as well as some fines and penalties collected directly by other agencies. Interest and penalties for the late payment of taxes are not included here, but are classified with the tax associated with the collection. While most fines are undedicated revenue accruing to the General Fund, including most traffic infractions, there are some instances in which the fine and penalty revenue accrue to other funds. The majority of fines assessed against motor carriers accrue to the Highway and Other Special Revenue Funds. The courts also collect several surcharges on fines, forfeitures and penalties that are recorded as Other Special Revenue Funds for specific uses.

Fines, Forfeits and Penalties

Fiscal Year	General Fund	Highway Fund	Other Special Revenue Funds	Federal Funds	Total All Funds
2005	\$35,506,972	\$1,518,580	\$6,708,305	\$66,261	\$43,800,117
2006	\$37,781,055	\$1,809,813	\$8,306,468	\$11,024	\$47,908,360
2007	\$41,415,132	\$1,668,000	\$9,272,473	\$30,522	\$52,386,127
2008	\$44,465,534	\$1,747,986	\$9,240,600	\$144,238	\$55,598,357
2009	\$44,024,462	\$1,785,197	\$9,756,018	\$59,562	\$55,625,239
2010	\$32,787,060	\$1,440,062	\$10,454,988	\$0	\$44,682,110
2011	\$28,513,040	\$1,145,044	\$9,571,912	\$246,250	\$39,476,246
2012	\$25,120,959	\$1,044,271	\$11,311,904	\$265	\$37,477,399
2013	\$23,748,503	\$1,030,267	\$12,512,072	\$0	\$37,290,842
2014	\$23,473,506	\$976,084	\$12,834,032	\$107	\$37,283,729

EARNINGS ON INVESTMENTS – 5 M.R.S.A. §135

The Treasurer of State is authorized to deposit money in the State Treasury with any national bank or in any banking institution, trust company, state or federal savings and loan association or mutual savings bank organized under the laws of Maine or having a location in Maine. The Treasurer is also authorized to invest in the following financial instruments:

- bonds, notes, certificates of indebtedness or other obligations of the United States and its agencies and instrumentalities that mature in no more than 36 months;
- collateralized repurchase agreements that mature within the succeeding 12 months;
- prime commercial paper;

- tax-exempt obligations and corporate bonds rated “AAA” that mature in no more than 36 months;
- banker’s acceptances; and
- “no-load” shares of any investment company registered under the federal Investment Company Act of 1940 that complies with Rule 2a-7 guidelines and maintains a constant share price.

The Treasurer has established written investment policy guidelines that incorporate the statutory restrictions for investments and describe in more detail how the program shall be carried out. The interest earned on investments must be credited to the respective funds with certain exceptions. Interest earned on Other Special Revenue Funds accrues to the General Fund unless specifically designated otherwise in the Revised Statutes. Interest earned on funds of the Department of Inland Fisheries and Wildlife is credited to the General Fund.

Earnings on Investments

Fiscal Year	General Fund	Highway Fund	Other Special Revenue Funds	Federal Funds	Total All Funds
2005	\$5,854,625	\$1,440,739	\$1,884,226	\$268,375	\$9,447,966
2006	\$8,271,869	\$1,833,806	\$3,536,111	\$662,999	\$14,304,786
2007	\$1,215,836	\$1,105,987	\$4,602,618	\$741,801	\$7,666,242
2008	\$1,074,143	\$1,152,491	\$2,231,959	\$288,296	\$4,746,889
2009	\$1,100,029	\$480,419	\$1,680,978	\$178,914	\$3,440,341
2010	\$265,091	\$162,488	\$593,663	\$31,706	\$1,052,949
2011	\$277,770	\$124,518	\$448,410	\$32,667	\$883,365
2012	\$155,531	\$141,082	\$324,389	\$18,540	\$639,542
2013	\$148,434	\$105,414	\$328,448	\$12,636	\$594,932
2014	\$301,144	\$80,299	\$323,682	\$9,032	\$714,157

History – Earnings on Investments

PL 1957, c. 320 first provided that interest earned on Highway Fund balances be credited to the Highway Fund and that interest earned on the other two funds (i.e., the General Fund and Other Special Revenue Funds) be credited to the General Fund. Amended by PL 1969, c. 583 such that earnings of the Department of Inland Fisheries and Wildlife funds would be credited to the General Fund and considered in lieu of any office rental charges made by the General Fund. Amended by PL 1983, c. 588 so that earnings on Inland Fisheries and Wildlife funds would be credited to the Inland Fisheries and Wildlife Fund. Amended by PL 1991, c. 622 to require that interest on funds of the Department of Inland Fisheries and Wildlife must be credited to the General Fund and to require that interest earned on investments of the Highway Fund be credited to the General Fund. Amended by PL 1995 c. 368 to require that Highway Fund investment earnings be credited to the Highway Fund.

REVENUE FROM MAINE TURNPIKE AUTHORITY – 23 M.R.S.A. c. 24

The Maine Turnpike Authority provides funds to the Highway Fund as reimbursement for interchange and connecting road work performed by the Department of Transportation. The authority also provides funding to the State Police as dedicated revenue for the costs associated with Maine Turnpike enforcement activities of the State Police. In addition, beginning in fiscal year 2004, the Authority provides funds to the Highway Fund as reimbursement for administrative overhead costs incurred by the enforcement activities of the State Police.

Revenue from the Maine Turnpike Authority

Fiscal Year	Highway Fund	Other Special Revenue Funds	Total All Funds
2004	\$188,532	\$4,505,456	\$4,693,988
2005	\$172,823	\$4,826,180	\$4,999,003
2006	\$223,637	\$4,424,094	\$4,647,731
2007	\$218,222	\$4,688,539	\$4,906,761
2008	\$237,284	\$5,122,417	\$5,359,701
2009	\$274,981	\$5,827,640	\$6,102,621
2010	\$263,612	\$5,625,338	\$5,888,950
2011	\$220,891	\$4,796,648	\$5,017,538
2012	\$176,383	\$4,201,185	\$4,377,568
2013	\$237,098	\$4,521,996	\$4,759,094
2014	\$252,465	\$5,319,457	\$5,571,922

Revenue Notes – Revenue from Maine Turnpike Authority

Revenue recorded as Highway Fund revenue represents reimbursements for amounts incurred by the Department of Transportation in the maintenance and improvements to Maine Turnpike interchanges and connecting roads. In fiscal year 1996, the Maine Turnpike Authority agreed to pay \$34,000,000 as an advance payment for the estimated costs of \$4,700,000 annually scheduled from fiscal year 1998 through fiscal year 2005 (see PL 1995, c. 504, Part C). Other Special Revenue Funds reflect the amounts received as dedicated revenue to the State Police.