

STATE of MAINE



Compendium of State Fiscal Information

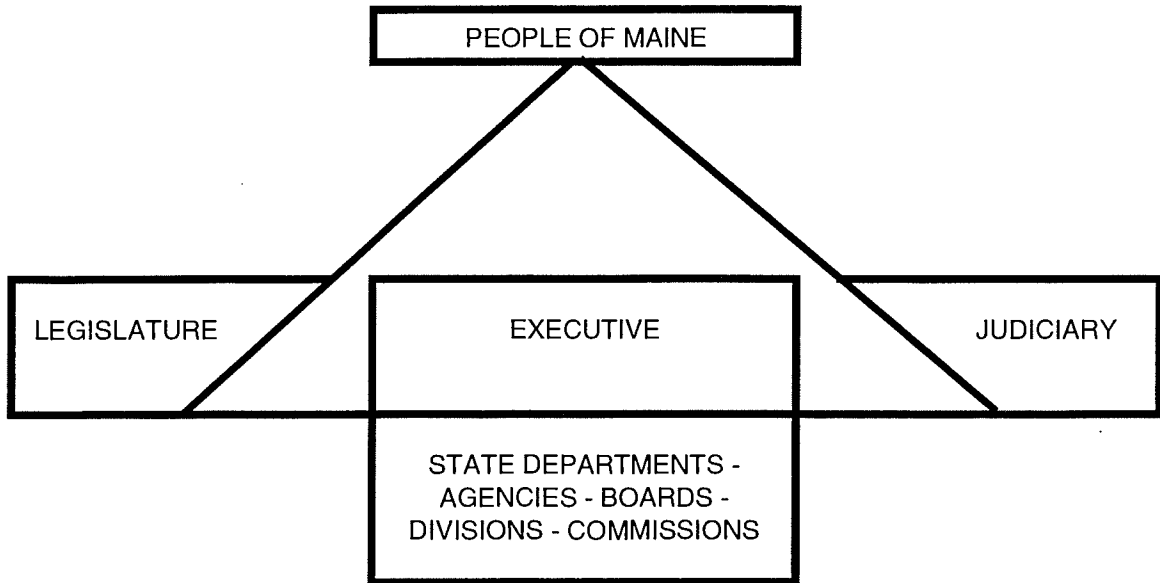
THROUGH FISCAL YEAR
ENDING JUNE 30, 1998

PUB. #30
September, 1999

PREPARED BY:

Maine State Legislature
Office of
Fiscal and Program Review

STATE OF MAINE



COMPENDIUM OF STATE FISCAL INFORMATION THROUGH FISCAL YEAR ENDING JUNE 30, 1998

PUB. #30
SEPTEMBER, 1999

Prepared by:
MAINE STATE LEGISLATURE
OFFICE OF
FISCAL AND PROGRAM REVIEW

COMPENDIUM OF STATE FISCAL INFORMATION
TABLE OF CONTENTS

	Page
Section I - Introduction	1
Section II - Revenues and Expenditures	
Total Operating Funds - Revenues and Expenditures	
Graph OPF-1 Total Operating Funds - Revenues and Expenditures.....	4
Table OPF-1 Total Operating Funds - Revenues.....	5
Table OPF-2 Total Operating Funds - Expenditures by Program	6
Table OPF-3 Total Operating Funds - Expenditures by Category	7
General Fund - Revenues and Expenditures	
Graph GF-1 General Fund - Revenues and Expenditures.....	8
Table GF-1 General Fund - Revenues	9
Table GF-2 General Fund - Expenditures by Program.....	10
Table GF-3 General Fund - Expenditures by Category	11
State Contingent Account - Expenditures.....	12
Table GF-4 State Contingent Account - Expenditures	12
Highway Fund - Revenues and Expenditures	
Graph HF-1 Highway Fund - Revenues and Expenditures	13
Table HF-1 Highway Fund - Revenues	14
Table HF-2 Highway Fund - Expenditures by Program.....	15
Table HF-3 Highway Fund - Expenditures by Category	16
Other Special Revenue Funds - Revenues and Expenditure	
Graph OSR-1 Other Special Revenue Funds - Revenues and Expenditures	17
Table OSR-1 Other Special Revenue Funds - Revenues.....	18
Table OSR-2 Other Special Revenue Funds - Expenditures by Program	19
Table OSR-3 Other Special Revenue Funds - Expenditures by Category.....	20
Section III - Summary of Major Taxes and Revenue Sources	
Income Taxes	21
Table III-1 1998 Income Tax Rates - Individual Income and Corporate Income Taxes	23
Franchise Tax on Financial Institutions	22
Sales and Use Taxes	24
Transfers for Municipal Revenue Sharing	25
Gross Receipts Tax.....	25
Estate Tax.....	26
Cigarette Tax	27
Tobacco Products Tax	28
Cigarette & Tobacco Products License Fees	28

Table of Contents - continued

Section III - Summary of Major Taxes and Revenue Sources (continued)

Liquor Taxes	29
Liquor License Fees	30
Table III-2 Liquor License Fees	31
Insurance Premium Tax	32
Fire Investigation and Prevention Tax	32
Insurance Regulatory Assessment.....	32
Workers' Compensation Insurance Assessments.....	33
Employment Rehabilitation Fund Assessment	34
Safety Education and Training Fund Assessment.....	34
Insurance License and Other Insurance Fees	34
Banking Industry Fees and Assessments	35
Corporate Filing Fees	36
Professional and Occupational Licensing Fees.....	36
Hospital Assessment	36
Hospital License Fees	37
Railroad Company Tax	37
Telecommunications Personal Property Tax.....	38
Public Utilities Assessments	38
Real Estate Transfer Tax	39
Unorganized Territory Taxes	40
Commercial Forestry Excise Tax	41
Spruce Budworm Management Tax	41
Gasoline Tax	42
Special Fuel Tax.....	43
Road Use Taxes.....	43
Aeronautical Gasoline Tax	43
Aeronautical Jet Fuel Tax	44
Motor Vehicle and Operator's License Fees.....	44
Table III-3 Motor Vehicle and Operator's License Fees	45
Hunting and Fishing License Fees	47
Table III-4 Hunting and Fishing License Fees	49
ATV, Snowmobile & Watercraft Fees	47
Table III-5 ATV, Snowmobile & Watercraft Fees.....	50
Marine Resources Licenses	48
Table III-6 - Marine Resources License Fees	51
Sardine Tax	48
Atlantic Salmon License Fees	52
Mahogany Quahog Tax	52
Environmental Protection Fees	52
Recycling Assistance Fee.....	53
Maine Milk Pool	54
Maine Dairy Stabilization Tax	54
Milk Handling Tax	54

Table of Contents - continued

Section III - Summary of Major Taxes and Revenue Sources (continued)

Blueberry Tax	55
Potato Tax	55
Mining Excise Tax	55
Pari-mutuel Revenue	56
Lottery Revenue	56
Revenue from Federal Government	57
Revenue from Local Governments.....	57
Revenue from Private Sources	58
Service Charges for Current Services	58
Contribution and Transfers from Other Funds.....	59
State Cost Allocation Program Revenue.....	59
Sales and Compensation for Loss of Property	59
Fines, Forfeits and Penalties	60
Earnings on Investments	60
Revenue from Maine Turnpike Authority.....	61

Section IV - Bonded Debt

Summary of Bonded Debt	62
Table IV-1 Summary of Bonded Debt	63
Graph IV-1 Total State Bond Debt - Per Capita and as a % of Personal Income	64

Section V - Maine Rainy Day Fund

Maine Rainy Day Fund	65
Table V-1 Maine Rainy Day Fund - History of Ending Balances and Statutory Caps.....	66
Graph V-1 Maine Rainy Day Fund - History of Ending Balances and Statutory Caps.....	66

Section VI - State and Local Tax Burdens

State and Local Tax Burdens	67
Graph VI-1 State and Local Tax Revenue - Per Capita 1996	68
Graph VI-2 State and Local Tax Revenue - Per \$1,000 Income - 1996	68
Graph VI-3 Personal Income Tax - Per Capita 1996	69
Graph VI-4 Personal Income Tax - Per \$1,000 Income - 1996.....	69
Graph VI-5 Sales Tax - Per Capita - 1996	70
Graph VI-6 Sales Tax - Per \$1,000 Income - 1996.....	70
Graph VI-7 Property Tax - Per Capita - 1996.....	71
Graph VI-8 Property Tax - Per \$1,000 Income - 1996	71
Graph VI-9 Total State and Local Taxes - Per Capita and % of Personal Income 1984-1998 ...	72
Graph VI-10 Individual Income Tax - Per Capita and % of Personal Income 1984-1998	73
Graph VI-11 Sales and Use Taxes - Per Capita and % of Personal Income 1984-1988.....	74
Graph VI-12 Property Tax - Per Capita and % of Personal Income 1984-1998.....	75

SECTION I - INTRODUCTION

The Compendium of State Fiscal Information, updated on an annual basis, provides a summary of the most important fiscal information affecting Maine State Government. It compiles a summary of actual operating revenue and expenditures, a description of revenue sources, analysis of state debt, the Maine Rainy Day Fund and Maine's tax burden. This year's report represents a significant effort to expand the amount of information and detail provided. In particular, significant additional detail is provided in the sections summarizing revenue and expenditures. The Office of Fiscal and Program Review hopes you find this additional information useful but also realizes that some of the changes may raise some questions for those users who may be using this information for historical purposes. Questions regarding conversions of data should be directed to: Office of Fiscal and Program Review, 5 State House Station, Augusta, Maine 04333-0005, Telephone: (207) 287-1635.

Report Layout

This report presents information in 6 different sections. The first section, the *Introduction*, presents an overview of the report and some of the accounting methods used for the data included in this report. The second section, *Revenues and Expenditures*, provides revenue and expenditure detail of the operating funds of Maine State Government. The third section, *Summary of Major Taxes and Revenue Sources*, provides brief summaries of the taxes and revenue sources included in the Revenues and Expenditures section. These summaries provide a discussion of the current tax rates, current fees & assessments or the types of revenue items that are included under a particular type of revenue source. Revenue notes are included with each summary that reference the revenue tables in the Revenue and Expenditures section. Most of the summaries will also include a history providing information on when the tax, fee, or assessment was first adopted and the major amendments affecting that tax, fee, or assessment. The next section includes a summary of *Maine's Bonded Debt*. The next section is new with this year's report. It provides a history of the *Maine Rainy Day Fund*, a reserve fund for the prepayment of outstanding bonds or expenditures for major construction. The final section, *State and Local Tax Burdens*, provides a history of Maine's taxes per capita and as a percentage of personal income, as well as a comparison of Maine's tax burden with the other New England states and the average for the United States.

Accounting and State Fiscal Year

The information presented in this report is presented on a budgetary basis, which presents all funds as they are recorded on the official accounting system maintained in the Bureau of Accounts and Control within the Department of Administrative and Financial Services. (Note: some minor adjustments have been made by the Office of Fiscal and Program Review to correct for certain data entry errors.) Revenue recognition and the amounts included in this report are based on a modified accrual basis of accounting. Revenues are recognized when they become both measurable and available. The major taxes subject to accrual are the individual income tax, sales and use tax and the telecommunications personal property tax. Revenues from other sources are recognized when received and expenditures are recorded when paid.

The Maine State Government's fiscal year runs from July 1st to June 30th. References to fiscal year throughout this report will use the year in which the fiscal year ends, i.e., fiscal year 1998 refers to the state fiscal year ending June 30, 1998.

Fund Accounting

The normal operations of Maine State Government are recorded and controlled on a fund basis in three major operating funds: **General Fund, Highway Fund** and **Other Special Revenue Funds**. The tables in Section II provide a summary of total revenues and expenditures of these three major operating funds.

General Fund

The General Fund is the primary operating fund of Maine State Government. It receives revenue from general state revenue sources not otherwise accounted for in another fund. The largest sources of revenue are from the Individual Income Tax, Corporate Income Tax and Sales and Use Taxes. These three major taxes account for over 80% of General Fund revenue. The Graph and Tables on pages 8 to 11 provide a summary of revenues and expenditures of the General Fund.

Highway Fund

The Highway Fund is used to account for revenue derived from fees, excise and license taxes relating to the registration, operation, and use of vehicles on public highways and from fuel used for the propulsion of these vehicles, with fuel taxes representing over two-thirds of Highway Fund revenue. Pursuant to the Constitution of Maine, Article IX, Section 19, this revenue must be used for highway related activities. This revenue is expended primarily within the Departments of Transportation, Public Safety and Secretary of State (Bureau of Motor Vehicles). The Graph and Tables on pages 13 to 16 summarize the revenues and expenditures of the Highway Fund.

Other Special Revenue Funds

Other Special Revenue Funds receive their revenues from segregated or dedicated sources. The funds are expended by category for special purposes. The major source of revenue in Other Special Revenue Funds is derived from the federal government, including federal matching funds and grants. These revenues from the federal government accounted for over 70% of Other Special Revenue Funds. The Graph and Tables on pages 17 to 20 summarize the revenues and expenditures grouped under Other Special Revenue Funds.

Other Funds

In addition to the three operating funds that are listed above, there are numerous other funds that are used to record specific activities. The *Debt Service Fund* is used to account for issuance of general obligation debt and the use of general obligation debt proceeds as well as the revenue collected for the payment of principal and interest on certain revenue bonds. *Capital Project Funds* are used to account for financial resources used to acquire or contract major capital assets other than those financed by proprietary funds. Proprietary funds are used to account for on-going activities supported by fees for goods or services, with *Enterprise Funds* accounting for activities offering goods and services to the general public and *Internal Services Funds* accounting for the offering of goods and services between state agencies. Fiduciary funds, including *Expendable Trust Funds*, *Non-expendable Trust Funds* and *Agency Funds*, are used to account for assets held by the State acting as a trustee or an agent for individuals, organizations or other funds.

Recent Accounting Changes/Corrections

This year's report also includes a significant accounting change with respect to the transfers for municipal revenue sharing. Beginning in fiscal year 1998, the State Controller's Office began treating the transfers of General Fund revenue from the Individual Income Tax, Corporate Income Tax (including the Franchise Tax on Financial Institutions) and the Sales and Use Tax to the Local Government Fund for municipal revenue sharing as a separate event. Previously, the Transfers for Municipal Revenue Sharing were netted out of the "revenue sharing" taxes before the amounts were included in any reports. Beginning in the 1998 compendium, the "revenue sharing" taxes will be presented as gross collections prior to the Transfers for Municipal Revenue Sharing. A separate line is presented deducting the transfers to the Local Government Fund for municipal revenue sharing.

Also, General Fund revenue for fiscal year 1998 includes \$137,245,402 of individual income tax collections that were transferred to the Tax Relief Fund for Maine Residents, a General Fund reserve account. Revenue transferred to this reserve account, repealed as of December 31, 1998, has been expended or transferred for various purposes with the remainder lapsing back to the General Fund.

Lastly, General Fund revenue amounts for Corporate Income Tax and Individual Income Tax in fiscal year 1995 have been adjusted from previous versions of the Compendium of State Fiscal Information and differs the Maine Comprehensive Financial Report prepared by the Office of the State Controller. An adjustment to reserves at the close of that fiscal year adjustment was not reflected in Controller's report and, consequently, the Compendium. This resulted in an overstatement of Corporate Income Tax and understatement of Individual Income Tax of \$1,643,394. This year's Compendium corrects that previous oversight.

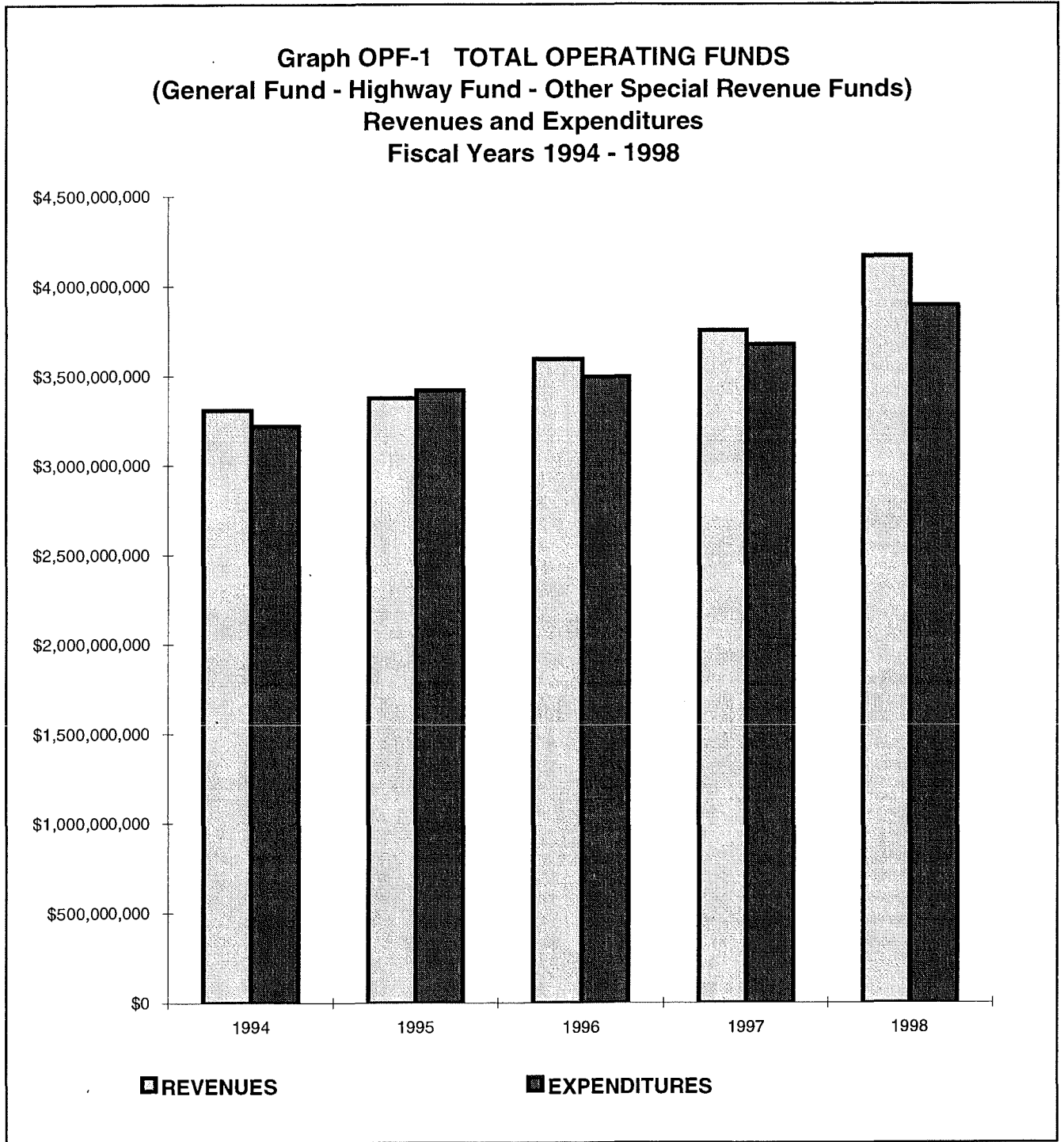
Sources

The information contained in this report was compiled from the following sources:

- State Controller's reports and State Treasury reports;
- the Maine Revised Statutes Annotated;
- various state departments and agencies; and
- the U.S. Department of Commerce.



SECTION II - REVENUES AND EXPENDITURES



	1994	1995	1996	1997	1998
REVENUES	\$3,309,725,464	\$3,376,793,956	\$3,594,516,363	\$3,752,126,051	\$4,165,621,749
Annual % Change	4.3%	2.0%	6.4%	4.4%	11.0%
EXPENDITURES	\$3,220,762,940	\$3,419,718,332	\$3,493,865,176	\$3,673,594,104	\$3,889,786,325
Annual % Change	0.2%	6.2%	2.2%	5.1%	5.9%

Table OPF-1 Total Operating Funds - Revenue
(General Fund, Highway Fund, & Other Special Revenue Funds)

Fiscal Years 1994 - 1998

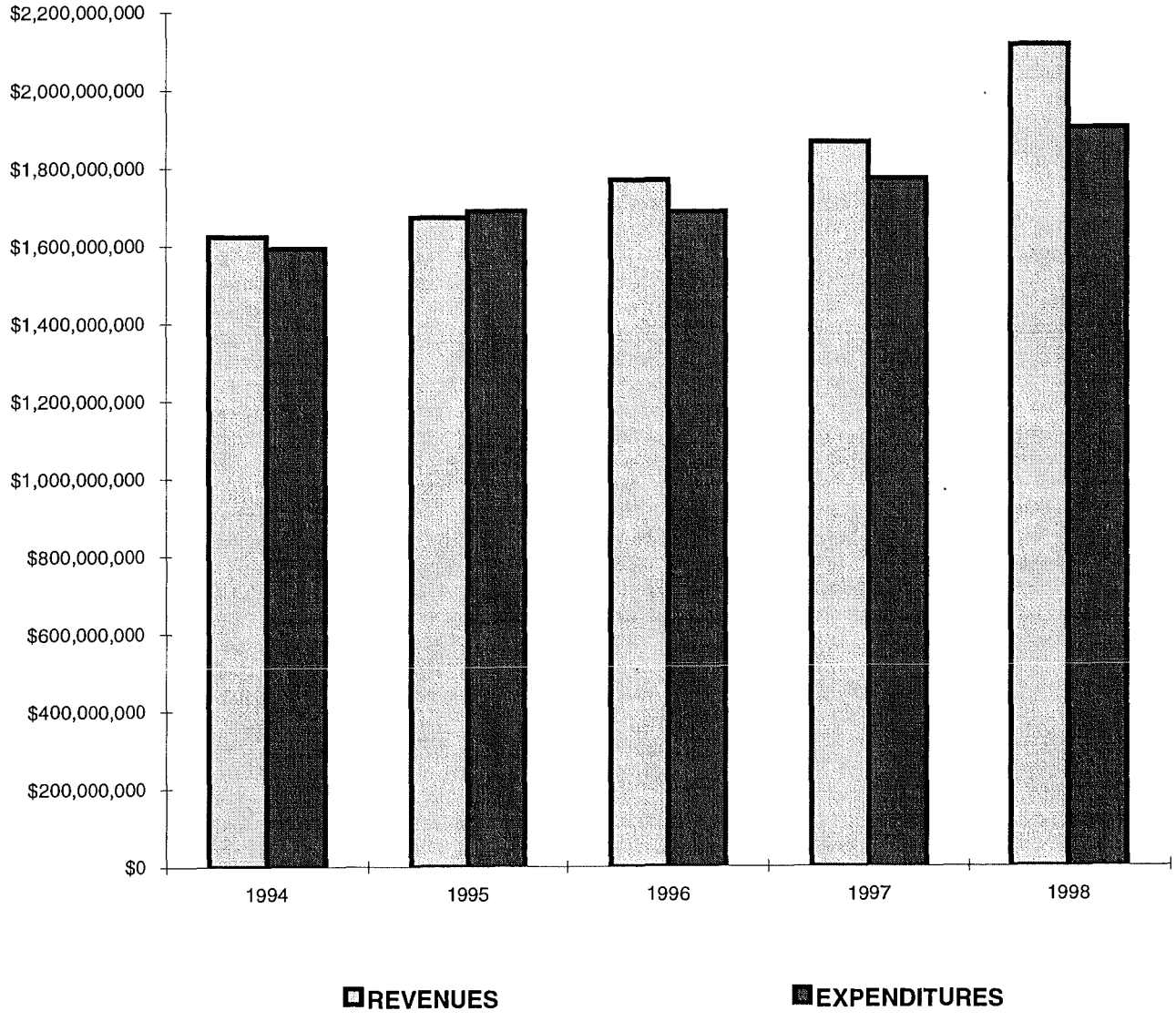
REVENUE SOURCE	1994		1995		1996		1997		1998	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Income Taxes	\$703,282,430	21.25%	\$699,011,550	20.70%	\$781,720,357	21.75%	\$870,267,077	23.19%	\$1,015,356,541	24.37%
Sales and Use Taxes	\$673,370,077	20.35%	\$716,390,156	21.22%	\$726,466,756	20.21%	\$742,207,541	19.78%	\$833,755,672	20.02%
Transfers for Municipal Revenue Sharing	(\$864,145)	-0.03%	\$1,344,566	0.04%	(\$791,716)	-0.02%	(\$1,534,557)	-0.04%	(\$4,809,415)	-0.12%
Estate Tax	\$10,080,223	0.30%	\$17,124,388	0.51%	\$12,379,606	0.34%	\$14,770,860	0.39%	\$40,535,598	0.97%
Cigarette Tax	\$46,132,393	1.39%	\$46,329,549	1.37%	\$44,989,295	1.25%	\$45,376,740	1.21%	\$71,721,183	1.72%
Tobacco Products Tax	\$2,542,379	0.08%	\$2,302,199	0.07%	\$2,612,479	0.07%	\$2,671,255	0.07%	\$2,649,058	0.06%
Cig. & Tobacco Products License Fees	\$595	0.00%	\$945	0.00%	\$60,935	0.00%	\$19,940	0.00%	\$19,545	0.00%
Liquor Taxes	\$33,871,352	1.02%	\$31,978,238	0.95%	\$33,577,486	0.93%	\$32,582,016	0.87%	\$32,816,124	0.79%
Liquor License Fees	\$2,728,930	0.08%	\$3,011,942	0.09%	\$2,821,747	0.08%	\$3,088,049	0.08%	\$2,960,814	0.07%
Insurance Premium Tax	\$36,742,322	1.11%	\$35,949,039	1.06%	\$35,496,740	0.99%	\$39,642,756	1.06%	\$39,153,496	0.94%
Fire Invest. & Prevention Tax	\$1,909,845	0.06%	\$2,033,291	0.06%	\$2,003,525	0.06%	\$2,126,148	0.06%	\$2,109,489	0.05%
Insurance Company Assessment	\$3,111,758	0.09%	\$2,847,664	0.08%	\$3,385,354	0.09%	\$1,050,456	0.03%	\$2,291,135	0.06%
Assessment on Workers' Comp Insurers	\$3,909,114	0.12%	\$5,647,876	0.17%	\$4,767,397	0.13%	\$6,730,386	0.18%	\$8,126,555	0.20%
Safety and Education Fund Assessment	\$1,901,289	0.06%	\$1,154,277	0.03%	\$1,447,640	0.04%	\$1,782,403	0.05%	\$1,887,220	0.05%
Insurance License & Other Ins. Fees	\$2,866,469	0.09%	\$1,630,237	0.05%	\$3,244,673	0.09%	\$2,266,736	0.06%	\$4,680,691	0.11%
Banking Industry Fees & Assessments	\$7,743,444	0.23%	\$8,001,715	0.24%	\$8,837,659	0.25%	\$9,736,226	0.26%	\$13,067,405	0.31%
Corporation Fees & Licenses	\$2,366,826	0.07%	\$2,442,322	0.07%	\$2,610,033	0.07%	\$2,647,928	0.07%	\$2,842,889	0.07%
Hospital Assessment	\$126,734,559	3.83%	\$96,123,622	2.85%	\$126,344,140	3.51%	\$138,498,110	3.69%	\$128,805,830	3.09%
Hospital License Fees	\$107,478	0.00%	\$246,037	0.01%	(\$4,371)	0.00%	\$24,279	0.00%	\$282,408	0.01%
Railroad Company Tax	\$1,112,357	0.03%	\$552,670	0.02%	\$523,466	0.01%	\$491,048	0.01%	\$574,436	0.01%
Telecommunications Personal Property Tax	\$25,967,839	0.78%	\$27,504,608	0.81%	\$28,479,703	0.79%	\$28,259,462	0.75%	\$28,910,458	0.69%
Public Utilities Assessments	\$5,154,049	0.16%	\$304,495	0.01%	\$5,829,315	0.16%	\$9,225,270	0.25%	\$6,640,295	0.16%
Real Estate Transfer Tax	\$8,885,412	0.27%	\$9,258,236	0.27%	\$9,391,380	0.26%	\$10,981,254	0.29%	\$12,904,437	0.31%
Unorganized Territory Taxes	\$15,905,250	0.48%	\$14,686,593	0.43%	\$15,117,431	0.42%	\$13,929,921	0.37%	\$14,005,251	0.34%
Commercial Forestry Excise Tax	\$3,338,328	0.10%	\$3,124,398	0.09%	\$3,894,224	0.11%	\$2,728,065	0.07%	\$3,325,828	0.08%
Gasoline Tax	\$117,138,858	3.54%	\$118,615,203	3.51%	\$120,498,238	3.35%	\$121,251,385	3.23%	\$124,382,013	2.99%
Special Fuel & Road Use Taxes	\$23,173,230	0.70%	\$25,963,545	0.77%	\$26,691,242	0.74%	\$26,675,634	0.71%	\$28,935,477	0.69%
Aeronautical Gasoline & Jet Fuel Taxes	\$1,136,442	0.03%	\$578,414	0.02%	\$803,070	0.02%	\$709,073	0.02%	\$779,236	0.02%
Motor Vehicle & Oper. License Fees	\$64,165,326	1.94%	\$68,317,994	2.02%	\$67,329,914	1.87%	\$68,162,235	1.82%	\$69,967,358	1.68%
Hunting and Fishing Licenses	\$11,804,596	0.36%	\$12,518,641	0.37%	\$12,922,652	0.36%	\$12,699,713	0.34%	\$14,063,498	0.34%
ATV, Snowmobile & Watercraft Fees	\$1,804,622	0.05%	\$2,215,592	0.07%	\$2,688,916	0.07%	\$3,061,205	0.08%	\$4,443,557	0.11%
Marine Resources Licenses	\$1,727,479	0.05%	\$2,136,289	0.06%	\$2,549,076	0.07%	\$2,350,805	0.06%	\$2,473,054	0.06%
Sardine Tax	\$301,826	0.01%	\$273,880	0.01%	\$197,208	0.01%	\$257,980	0.01%	\$185,767	0.00%
Atlantic Salmon License Fees	\$145,609	0.00%	\$161,055	0.00%	\$189,203	0.01%	\$182,476	0.00%	\$263,918	0.01%
Mahogany Quahog Tax	\$22,354	0.00%	\$26,377	0.00%	\$34,778	0.00%	\$44,194	0.00%	\$60,122	0.00%
Environmental Protection Fees	\$3,199,114	0.10%	\$16,476,447	0.49%	\$19,452,618	0.54%	\$15,961,139	0.43%	\$21,037,461	0.51%
Recycling Assistance Fee	\$2,599,050	0.08%	\$2,843,927	0.08%	\$2,346,606	0.07%	\$1,558,921	0.04%	\$1,129,261	0.03%
Professional & Occupational Fees	\$4,232,477	0.13%	\$4,063,151	0.12%	\$4,617,246	0.13%	\$4,092,536	0.11%	\$5,160,187	0.12%
Milk Pool & Other Milk Fees	\$965,882	0.03%	\$886,090	0.03%	\$886,054	0.02%	\$887,095	0.02%	\$917,212	0.02%
Milk Handling & Dairy Stabilization Taxes	\$1,865,440	0.06%	\$2,126,470	0.06%	\$2,866,816	0.08%	\$644,529	0.02%	\$489,091	0.01%
Blueberry Tax	\$733,707	0.02%	\$680,716	0.02%	\$724,617	0.02%	\$646,456	0.02%	\$824,616	0.02%
Potato Tax	\$856,216	0.03%	\$718,652	0.02%	\$719,633	0.02%	\$874,490	0.02%	\$751,943	0.02%
Pan-mutuel Revenue	\$1,879,570	0.06%	\$1,876,936	0.06%	\$3,006,670	0.08%	\$4,185,226	0.11%	\$4,005,686	0.10%
Misc. Other Taxes, Fees & Assessments	\$4,654,888	0.14%	\$5,375,427	0.16%	\$4,856,408	0.14%	\$6,624,489	0.18%	\$5,184,834	0.12%
Lottery Revenue	\$45,393,735	1.37%	\$41,185,167	1.22%	\$39,368,010	1.10%	\$42,005,526	1.12%	\$41,846,693	1.00%
From Federal Government	\$1,059,253,064	32.00%	\$1,103,980,912	32.69%	\$1,168,819,513	32.52%	\$1,221,712,470	32.56%	\$1,335,164,933	32.05%
From Local Governments	\$5,143,885	0.16%	\$4,762,989	0.14%	\$3,752,177	0.10%	\$6,647,372	0.18%	\$7,171,123	0.17%
From Private Sources	\$56,376,232	1.70%	\$64,364,251	1.91%	\$67,306,775	1.87%	\$77,705,385	2.07%	\$95,430,291	2.29%
Service Charges - Current Services	\$91,146,181	2.75%	\$86,668,191	2.57%	\$86,387,909	2.40%	\$83,709,356	2.23%	\$84,867,584	2.04%
Contrib. and Trans. from Other Funds	\$27,315,906	0.83%	\$24,628,587	0.73%	\$9,735,938	0.27%	\$8,713,114	0.23%	(\$8,483,132)	-0.20%
State Cost Allocation Program Revenue	\$5,856,014	0.18%	\$8,495,886	0.25%	\$8,811,152	0.25%	\$8,145,380	0.22%	\$6,728,975	0.16%
Sales & Comp. for Loss of Property	\$2,663,850	0.08%	\$3,793,723	0.11%	\$2,301,476	0.06%	\$2,604,597	0.07%	\$3,250,704	0.08%
Fines, Forfeits & Penalties	\$26,981,938	0.82%	\$24,844,909	0.74%	\$25,408,465	0.71%	\$28,757,976	0.77%	\$31,120,879	0.75%
Earnings on Investments	\$3,254,800	0.10%	\$9,681,926	0.29%	\$12,422,441	0.35%	\$13,181,812	0.35%	\$16,440,094	0.39%
Maine Turnpike Authority Reimbursement	\$25,032,603	0.76%	\$9,531,998	0.28%	\$41,616,288	1.16%	\$8,504,116	0.23%	\$2,416,374	0.06%
Total - All Operating Funds Revenue	\$3,309,725,464	100.0%	\$3,376,793,956	100.0%	\$3,594,516,363	100.0%	\$3,752,126,051	100.0%	\$4,165,621,749	100.0%

Table OPF-3 Total Operating Funds - Expenditures by Expenditure Category
(General Fund - Highway Fund - Other Special Revenue Funds)
Fiscal Years 1994 - 1998
Expenditures

Expenditures - By Expenditure Category

Expenditure Category	1994		1995		1996		1997		1998	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Personal Services										
Salaries and Wages	375,409,757	11.7%	403,326,478	11.8%	384,275,451	11.0%	383,678,671	10.4%	390,161,992	10.0%
Retirement Costs	68,148,952	2.1%	74,227,828	2.2%	82,751,675	2.4%	89,000,446	2.4%	89,505,009	2.3%
Health Ins. & Other Fringe Ben.	50,227,549	1.6%	59,016,722	1.7%	76,915,603	2.2%	76,822,096	2.1%	72,276,492	1.9%
Unemployment Reimbursements	1,224,896	0.0%	1,400,883	0.0%	1,596,134	0.0%	1,319,428	0.0%	741,688	0.0%
Personal Services - Subtotal	495,011,154	15.4%	537,971,910	15.7%	545,538,862	15.6%	550,820,641	15.0%	552,685,181	14.2%
All Other										
Professional Services	69,739,973	2.2%	85,375,385	2.5%	89,663,313	2.6%	98,699,406	2.7%	118,561,466	3.0%
Travel Expenses	9,114,063	0.3%	10,178,623	0.3%	8,704,245	0.2%	9,584,766	0.3%	10,268,694	0.3%
Miscellaneous Oper. Expenses	11,802,859	3.5%	119,164,292	3.5%	127,285,176	3.6%	123,706,502	3.4%	140,829,330	3.6%
Commodities	31,873,085	1.0%	33,131,810	1.0%	33,083,799	0.9%	37,435,830	1.0%	41,593,023	1.1%
Grants, Subsidies and Pensions										
To Other Governments	700,640,607	21.8%	709,532,622	20.7%	714,596,213	20.5%	745,727,044	20.3%	821,267,214	21.1%
To Pub. and Priv. Orgs.	345,464,289	10.7%	364,468,119	10.7%	381,745,704	10.9%	392,665,323	10.7%	418,636,186	10.8%
To Individuals	1,253,542,084	38.9%	1,321,857,102	38.7%	1,322,092,455	37.8%	1,437,024,332	39.1%	1,540,659,280	39.6%
Debt Service										
Principal	61,963,680	1.9%	74,317,610	2.2%	76,789,408	2.2%	87,917,345	2.4%	77,675,639	2.0%
Interest	38,272,802	1.2%	39,908,955	1.2%	37,062,272	1.1%	36,524,152	1.0%	24,894,302	0.6%
All Other - Subtotal	2,622,413,442	81.4%	2,757,934,517	80.6%	2,791,022,584	79.9%	2,969,284,701	80.8%	3,194,385,135	82.1%
Capital Expenditures	94,295,118	2.9%	113,519,319	3.3%	146,292,342	4.2%	143,074,277	3.9%	133,376,329	3.4%
Contrib. and Trans. to Other Funds	9,043,227	0.3%	10,292,586	0.3%	11,011,388	0.3%	10,414,485	0.3%	9,339,679	0.2%
Total Expenditures	3,220,762,940	100.0%	3,419,718,332	100.0%	3,493,865,176	100.0%	3,673,594,104	100.0%	3,889,786,325	100.0%

**Graph GF-1 GENERAL FUND
Revenues and Expenditures
Fiscal Years 1994 - 1998**



	1994	1995	1996	1997	1998
REVENUES	\$1,623,888,488	\$1,671,736,430	\$1,766,400,761	\$1,863,086,301	\$2,111,860,005
Annual % Change	4.0%	2.9%	5.7%	5.5%	13.4%
EXPENDITURES	\$1,592,804,296	\$1,686,997,648	\$1,685,207,127	\$1,768,652,528	\$1,898,373,018
Annual % Change	-0.9%	5.9%	-0.1%	5.0%	7.3%

Table GF-1 General Fund Revenue
Fiscal Years 1994 - 1998

REVENUE SOURCE	1994		1995		1996		1997		1998	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Individual Income Tax	\$611,811,954	37.68%	\$639,032,464	38.23%	\$710,756,541	40.24%	\$772,462,258	41.46%	\$907,981,057	42.99%
Corporate Income Taxes	\$91,470,476	5.63%	\$59,979,087	3.59%	\$70,963,816	4.02%	\$97,804,819	5.25%	\$107,375,484	5.08%
Sales and Use Taxes	\$614,243,075	37.83%	\$646,856,028	38.69%	\$657,599,475	37.23%	\$683,411,675	36.68%	\$833,755,683	39.48%
Transfers for Municipal Revenue Sharing	(\$67,193,801)	-4.14%	(\$68,639,247)	-4.11%	(\$73,404,200)	-4.16%	(\$79,237,330)	-4.25%	(\$94,304,723)	-4.47%
Gross Receipts Tax	\$58,692,702	3.61%	\$68,263,408	4.08%	\$68,460,826	3.88%	\$58,795,882	3.16%	\$0	0.00%
Estate Tax	\$10,080,223	0.62%	\$17,124,388	1.02%	\$12,379,606	0.70%	\$14,770,860	0.79%	\$34,335,598	1.63%
Cigarette Tax	\$46,132,393	2.84%	\$46,329,549	2.77%	\$44,989,295	2.55%	\$45,376,740	2.44%	\$42,875,264	2.03%
Tobacco Products Tax	\$2,542,379	0.16%	\$2,302,199	0.14%	\$2,612,479	0.15%	\$2,671,255	0.14%	\$2,649,058	0.13%
Cig. & Tobacco Products Lic. Fees	\$595	0.00%	\$945	0.00%	\$1,210	0.00%	\$1,350	0.00%	\$1,825	0.00%
Excise Tax - Spirits	\$21,977,485	1.35%	\$20,128,226	1.20%	\$21,446,967	1.21%	\$20,661,837	1.11%	\$20,546,162	0.97%
Premium Tax - Spirits	\$1,781,170	0.11%	\$1,657,515	0.10%	\$1,638,064	0.09%	\$1,588,694	0.09%	\$1,593,834	0.08%
Excise Tax - Beer & Wine	\$7,013,203	0.43%	\$7,065,608	0.42%	\$7,253,009	0.41%	\$7,334,649	0.39%	\$7,357,496	0.35%
Premium Tax - Beer & Wine	\$3,099,494	0.19%	\$3,126,890	0.19%	\$3,239,447	0.18%	\$2,996,835	0.16%	\$3,318,633	0.16%
Liquor License Fees	\$2,728,930	0.17%	\$3,011,942	0.18%	\$2,821,747	0.16%	\$3,088,049	0.17%	\$2,960,814	0.14%
Insurance Premium Tax	\$36,742,322	2.26%	\$35,949,039	2.15%	\$35,496,740	2.01%	\$39,642,756	2.13%	\$39,153,496	1.85%
Banking Licenses & Assessments	\$3,411,570	0.21%	\$3,968,780	0.24%	\$5,127,270	0.29%	\$4,957,470	0.27%	\$9,224,720	0.44%
Corporation Fees & Licenses	\$2,366,826	0.15%	\$2,442,322	0.15%	\$2,610,033	0.15%	\$2,647,928	0.14%	\$2,842,889	0.13%
Railroad Company Tax	\$962,357	0.06%	\$402,670	0.02%	\$373,466	0.02%	\$341,048	0.02%	\$424,436	0.02%
Telecommunications Personal Property Tax	\$25,967,839	1.60%	\$27,504,608	1.65%	\$28,479,703	1.61%	\$28,259,462	1.52%	\$28,910,458	1.37%
Real Estate Transfer Tax	\$6,885,412	0.42%	\$7,258,236	0.43%	\$6,901,703	0.39%	\$8,415,755	0.45%	\$9,636,432	0.46%
Unorganized Territory Taxes	\$8,494,465	0.52%	\$9,569,837	0.57%	\$9,136,066	0.52%	\$8,401,758	0.45%	\$8,722,729	0.41%
Commercial Forestry Excise Tax	\$3,338,328	0.21%	\$3,124,398	0.19%	\$3,894,224	0.22%	\$2,728,065	0.15%	\$3,325,828	0.16%
Gasoline Tax	\$59,192	0.00%	\$387,949	0.02%	\$61,730	0.00%	\$61,025	0.00%	\$62,685	0.00%
Aeronautical Fuel Taxes	\$1,136,442	0.07%	\$578,414	0.03%	\$803,070	0.05%	\$709,073	0.04%	\$779,236	0.04%
Other Fuel Taxes	(\$1,975)	0.00%	(\$2,345)	0.00%	(\$12,335)	0.00%	(\$30,274)	0.00%	\$41,887	0.00%
Motor Vehicle & Oper. Lic. Fees	\$1,543,129	0.10%	\$1,689,601	0.10%	\$1,693,246	0.10%	\$1,909,077	0.10%	\$2,152,207	0.10%
Hunting and Fishing Licenses	\$11,656,200	0.72%	\$12,372,172	0.74%	\$12,742,429	0.72%	\$12,503,674	0.67%	\$13,838,407	0.66%
ATV, Snowmobile & Watercraft Fees	\$904,203	0.06%	\$959,200	0.06%	\$970,910	0.05%	\$1,074,692	0.06%	\$1,851,237	0.09%
Marine Resources Licenses	\$1,491,111	0.09%	\$1,857,334	0.11%	\$1,761,403	0.10%	\$1,713,794	0.09%	\$1,743,861	0.08%
Mahogany Quahog Tax	\$2,365	0.00%	\$10,377	0.00%	\$19,083	0.00%	\$28,194	0.00%	\$44,122	0.00%
Milk Handling Tax	\$0	0.00%	\$1,454,935	0.09%	\$2,866,816	0.16%	\$644,529	0.03%	\$489,091	0.02%
Pari-mutuel Revenue	\$634,263	0.04%	\$688,074	0.04%	\$616,729	0.03%	\$1,018,063	0.05%	\$952,793	0.05%
Misc. Other Taxes, Fees & Assessments	\$1,726,275	0.11%	\$1,911,829	0.11%	\$1,715,960	0.10%	\$3,167,049	0.17%	\$1,681,672	0.08%
Lottery Revenue	\$45,393,735	2.80%	\$41,185,167	2.46%	\$37,736,554	2.14%	\$40,937,096	2.20%	\$40,742,121	1.93%
From Federal Government	\$3,845,746	0.24%	\$6,262,293	0.37%	\$16,766,839	0.95%	\$6,042,746	0.32%	\$5,425,165	0.26%
From Local Government	\$223,188	0.01%	\$282,012	0.02%	\$318,385	0.02%	\$103,860	0.01%	\$84,664	0.00%
From Private Sources	\$1,387,349	0.09%	\$1,732,861	0.10%	\$1,735,171	0.10%	\$2,128,805	0.11%	\$1,961,750	0.09%
Service Charges for Current Services	\$26,081,628	1.61%	\$20,693,309	1.24%	\$20,003,177	1.13%	\$15,425,839	0.83%	\$14,363,203	0.68%
Contrib. and Trans. from Other Funds	\$5,540,061	0.34%	\$7,742,637	0.46%	\$7,576,465	0.43%	\$8,328,749	0.45%	\$9,677,049	0.46%
State Cost Allocation Program Transfers	\$4,540,685	0.28%	\$7,208,681	0.43%	\$7,476,905	0.42%	\$6,775,140	0.36%	\$5,854,150	0.28%
Sales & Comp. for Loss of Property	\$180,670	0.01%	\$262,552	0.02%	\$231,675	0.01%	\$228,994	0.01%	\$429,971	0.02%
Fines, Forfeits & Penalties	\$22,683,360	1.40%	\$20,445,600	1.22%	\$20,026,749	1.13%	\$23,318,463	1.25%	\$24,852,353	1.18%
Earnings on Investments	\$2,311,466	0.14%	\$7,554,890	0.45%	\$8,512,311	0.48%	\$9,875,895	0.53%	\$12,145,209	0.58%
Total - General Fund Revenue	\$1,623,888,488	100.0%	\$1,671,736,430	100.0%	\$1,766,400,761	100.0%	\$1,863,086,301	100.0%	\$2,111,860,005	100.0%

See Revenue Notes in Section III - Summary of Major Revenue Sources for more detail.

**Table GF-3 GENERAL FUND
Fiscal Years 1994 - 1998
Expenditures**

Expenditures - By Expenditure Category

Expenditure Category	1994		1995		1996		1997		1998	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Personal Services										
Salaries and Wages	184,753,691	11.6%	194,698,938	11.5%	179,257,035	10.6%	178,873,846	10.1%	188,904,215	10.0%
Retirement Costs	34,255,470	2.2%	36,101,732	2.1%	39,560,408	2.3%	42,719,206	2.4%	45,270,105	2.4%
Health Ins. & Other Fringe Ben.	24,671,152	1.5%	27,899,596	1.7%	34,717,808	2.1%	34,723,628	2.0%	33,123,485	1.7%
Unemployment Reimbursements	573,536	0.0%	789,477	0.0%	983,249	0.1%	785,791	0.0%	338,430	0.0%
Personal Services - Subtotal	244,253,849	15.3%	259,489,742	15.4%	254,518,500	15.1%	257,102,471	14.5%	267,636,235	14.1%
All Other										
Professional Services	33,421,946	2.1%	35,199,273	2.1%	37,523,297	2.2%	41,298,629	2.3%	47,909,479	2.5%
Travel Expenses	3,918,038	0.2%	4,476,587	0.3%	3,831,018	0.2%	4,718,650	0.3%	4,803,824	0.3%
Miscellaneous Oper. Expenses	43,842,536	2.8%	48,283,575	2.9%	56,764,656	3.4%	50,952,644	2.9%	56,135,368	3.0%
Commodities	12,515,677	0.8%	11,919,786	0.7%	11,739,739	0.7%	12,783,939	0.7%	14,562,262	0.8%
Grants, Subsidies and Pensions										
To Other Governments	506,272,006	31.8%	518,104,681	30.7%	527,734,800	31.3%	551,181,373	31.2%	605,776,158	31.9%
To Pub. and Priv. Orgs.	252,795,608	15.9%	263,525,709	15.6%	268,946,007	16.0%	283,018,739	16.0%	300,298,308	15.8%
To Individuals	410,313,643	25.8%	451,496,481	26.8%	427,054,936	25.3%	459,124,656	26.0%	509,843,540	26.9%
Debt Service										
Principal	48,998,680	3.1%	57,912,610	3.4%	59,279,408	3.5%	67,537,345	3.8%	57,795,639	3.0%
Interest	29,738,919	1.9%	31,088,266	1.8%	29,250,802	1.7%	28,347,556	1.6%	17,769,027	0.9%
All Other - Subtotal	1,341,817,053	84.2%	1,422,006,969	84.3%	1,422,124,662	84.4%	1,498,963,532	84.8%	1,614,893,604	85.1%
Capital Expenditures	3,752,849	0.2%	3,753,823	0.2%	6,311,638	0.4%	10,218,202	0.6%	12,935,305	0.7%
Contrib. and Trans. to Other Funds	2,980,545	0.2%	1,747,113	0.1%	2,252,328	0.1%	2,368,323	0.1%	2,907,874	0.2%
Total Expenditures	1,592,804,296	100.0%	1,686,997,648	100.0%	1,685,207,127	100.0%	1,768,652,528	100.0%	1,898,373,018	100.0%

STATE CONTINGENT ACCOUNT

The State Contingent Account is a General Fund account. The resources of the account are replenished at the close of each fiscal year by transfers from the General Fund up to a maximum amount for any fiscal year, currently \$350,000. The Governor may allocate funds from this account for a number of specific purposes including “emergencies”, see detail in **5 M.R.S.A. §1507**. A separate statement is required in the State Controller’s official report to detail all transfers made from this account. (The expenditures from the State Contingent Account are included in total General Fund expenditures in the fiscal year in which they are expended.)

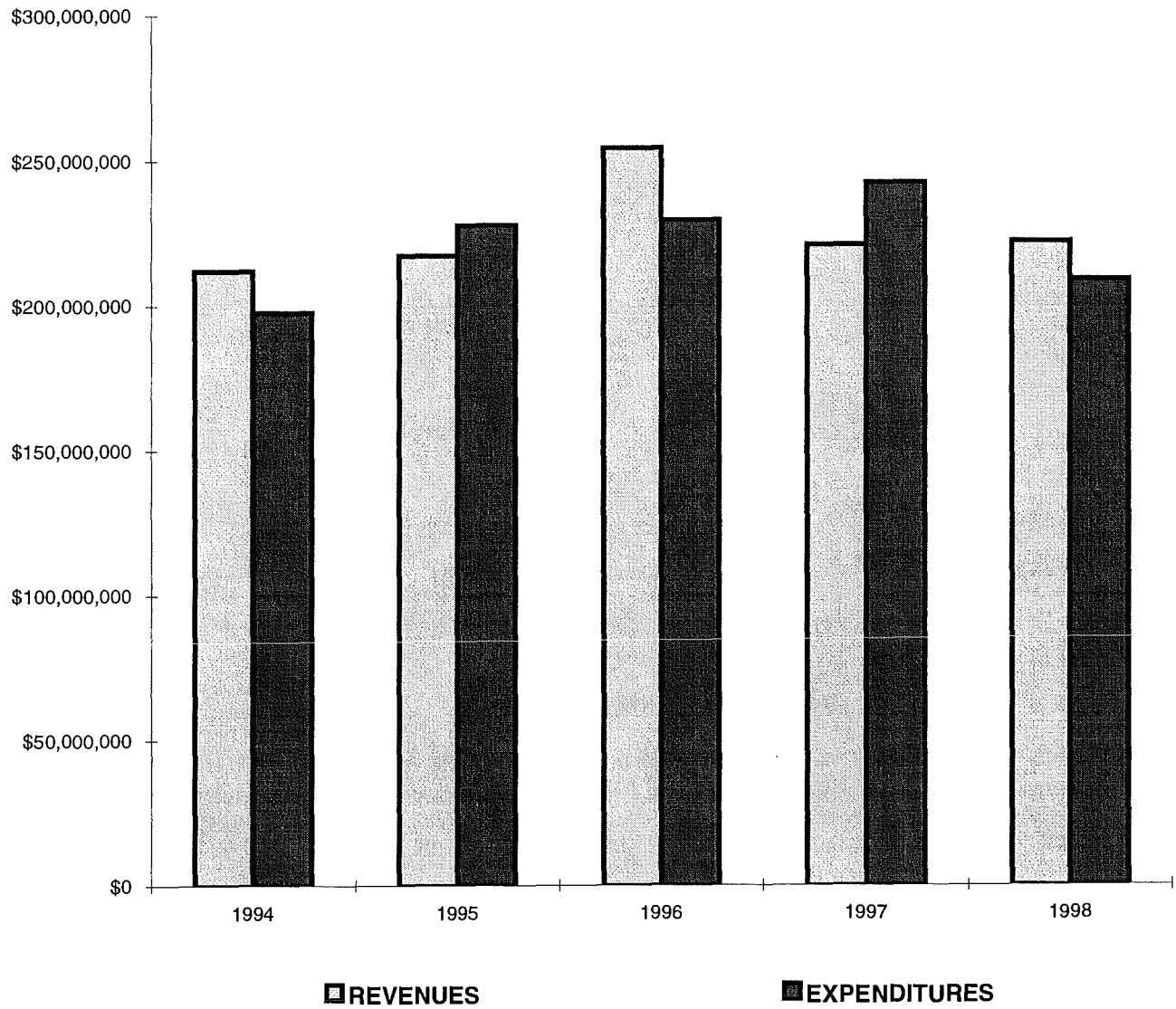
Table GF-4 - Expenditures of the State Contingent Account

<u>Fiscal Year</u>	<u>Actual Expenditures</u>
1979	347,875
1980	209,264
1981	128,281
1982	111,872
1983	187,132
1984	174,800
1985	158,757
1986	433,769
1987	604,574
1988	179,250
1989	735,934
1990	1,162,884
1991	1,142,187
1992	1,178,199
1993	1,337,850
1994	1,966,025
1995	1,926,285
1996	1,824,254
1997	2,225,755
1998	227,685
Balance July 1, 1998	\$ 350,000

Notes: PL 1985, c. 759, increased annual cap to \$675,000 in fiscal year 1987 and \$600,000 in fiscal years thereafter. PL 1987, c. 816, Part N, effective June 30, 1988, increased annual cap to \$1,350,000 beginning in fiscal year 1989 to provide an additional \$750,000 for Job Development Training. PL 1993, c. 410, Part QQQ provided General Fund appropriations of \$1,000,000 annually in fiscal years 1994 and 1995 to the State Contingent Account for the training fund for job retention to bring the total amount available to the State Contingent Account to \$2,350,000. PL 1995, c. 464, sections 1 and 2 repealed the authority to transfer year-end balances to the State Contingent Account effective July 1, 1997 and instead authorized the Governor to request a maximum General Fund appropriation of \$2,350,000 per year. PL 1995, c. 665, Part DD authorized the transfer of up to \$2,000,000 in fiscal year 1997 from the State Contingent Account, job development training to the Governor’s Training Initiative Program. PL 1997, c. 24, Part C, restored the authority to transfer year-end balances to the State Contingent Account, effective for the close of fiscal year 1997 and thereafter, but capped the amount at \$350,000. The Governor may still request a General Fund appropriation to bring the total available in the State Contingent Account to a maximum of \$2,350,000.

The expenditures for fiscal year 1991 reflect a transfer of \$550,000 to General Fund Undedicated Revenue in accordance with PL 1991, c. 9. The expenditures for fiscal year 1993 reflect a transfer of \$200,000 to General Fund unappropriated surplus in accordance with PL 1993, c. 6.

**Graph HF-1 HIGHWAY FUND
Revenues and Expenditures
Fiscal Years 1994 - 1998**



	1994	1995	1996	1997	1998
REVENUES	\$212,105,289	\$217,412,730	\$254,214,918	\$220,942,617	\$221,876,271
Annual % Change	1.9%	2.5%	16.9%	-13.1%	0.4%
EXPENDITURES	\$197,760,855	\$227,800,909	\$229,417,541	\$242,135,329	\$208,817,043
Annual % Change	-2.5%	15.2%	0.7%	5.5%	-13.8%

Table HF-1 Highway Fund Revenue
Fiscal Years 1994 - 1998

REVENUE SOURCE	1994		1995		1996		1997		1998	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Gasoline Tax	\$114,813,997	54.13%	\$115,650,497	53.19%	\$117,679,527	46.29%	\$118,471,766	53.62%	\$121,456,054	54.74%
Special Fuel & Road Use Taxes	\$23,175,205	10.93%	\$25,965,891	11.94%	\$26,703,576	10.50%	\$26,705,908	12.09%	\$28,893,590	13.02%
Motor Veh. & Operator's Lic. Fees										
Motor Vehicle & Truck Registration Fees	\$45,721,953	21.56%	\$47,806,130	21.99%	\$47,239,018	18.58%	\$47,608,909	21.55%	\$48,893,535	22.04%
Title Fees	\$3,403,870	1.60%	\$3,598,150	1.65%	\$3,431,802	1.35%	\$3,770,481	1.71%	\$6,088,298	2.74%
Special Registration Plates	\$1,025,604	0.48%	\$1,125,119	0.52%	\$1,225,763	0.48%	\$1,407,692	0.64%	\$1,528,808	0.69%
Motor Vehicle Dealer Fees	\$158,440	0.07%	\$161,874	0.07%	\$167,997	0.07%	\$169,920	0.08%	\$179,670	0.08%
Motor Vehicle Inspection Fees	\$1,090,550	0.51%	\$1,054,179	0.48%	\$1,118,718	0.44%	\$1,091,114	0.49%	\$1,147,198	0.52%
Special Permit Fees	\$434,603	0.20%	\$422,780	0.19%	\$591,071	0.23%	\$491,798	0.22%	\$543,805	0.25%
Truck Excise Tax	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$44,859	0.02%	\$486,500	0.22%
Motor Vehicle Operator's License Fees	\$7,578,234	3.57%	\$8,024,364	3.69%	\$7,296,853	2.87%	\$6,737,308	3.05%	\$2,840,454	1.28%
MV Operator's License Resotration Fees	\$821,385	0.39%	\$790,672	0.36%	\$840,573	0.33%	\$903,228	0.41%	\$1,166,704	0.53%
Driver Education Licensing Fees	\$0	0.00%	\$0	0.00%	\$10,600	0.00%	\$72,288	0.03%	\$58,261	0.03%
MV & Operator's Lic. Fees - Subtotal	\$60,234,640	28.40%	\$62,983,267	28.97%	\$61,922,395	24.36%	\$62,297,597	28.20%	\$62,933,233	28.36%
Misc. Taxes, Fees & Assessments	(\$7,042)	0.00%	(\$1,000)	0.00%	\$12,491	0.00%	(\$6,171)	0.00%	\$2,192	0.00%
From Federal Government	\$0	0.00%	(\$115,193)	-0.05%	\$16,372	0.01%	\$0	0.00%	\$0	0.00%
From Local Governments	(\$20,255)	-0.01%	\$59,197	0.03%	\$24,901	0.01%	\$74,950	0.03%	\$74,217	0.03%
From Prvate Sources	\$0	0.00%	\$3,000	0.00%	\$45,213	0.02%	\$92	0.00%	\$20	0.00%
Service Charges for Current Services	\$3,165,475	1.49%	\$3,357,334	1.54%	\$4,205,887	1.65%	\$2,747,797	1.24%	\$4,270,438	1.92%
Contnb. & Transfers from Other Funds	\$9,350	0.00%	\$18,458	0.01%	\$88,363	0.03%	\$0	0.00%	\$0	0.00%
State Cost Allocation Program Transfers	\$1,315,330	0.62%	\$1,287,205	0.59%	\$1,334,246	0.52%	\$1,370,240	0.62%	\$874,825	0.39%
Sales & Comp. for Loss of Property	\$134,043	0.06%	\$338,202	0.16%	\$135,734	0.05%	\$294,201	0.13%	\$84,089	0.04%
Fines, Forfeits & Penalties	\$1,071,290	0.51%	\$1,024,422	0.47%	\$1,868,492	0.74%	\$2,022,436	0.92%	\$1,766,368	0.80%
Earnings on Investments	\$0	0.00%	\$0	0.00%	\$1,477,667	0.58%	\$966,740	0.44%	\$1,521,246	0.69%
Me. Turnpike Authority Reimbursement	\$8,213,257	3.87%	\$6,841,451	3.15%	\$38,700,055	15.22%	\$5,997,061	2.71%	\$0	0.00%
Total - Highway Fund Revenue	\$212,105,289	100.0%	\$217,412,730	100.0%	\$254,214,918	100.0%	\$220,942,617	100.0%	\$221,876,271	100.0%

See Revenue Notes in Section III - Summary of Major Revenue Sources for more detail.

**Table HF-2 Highway Fund Expenditures by Departments & Major Programs
Fiscal Years 1994 - 1998**

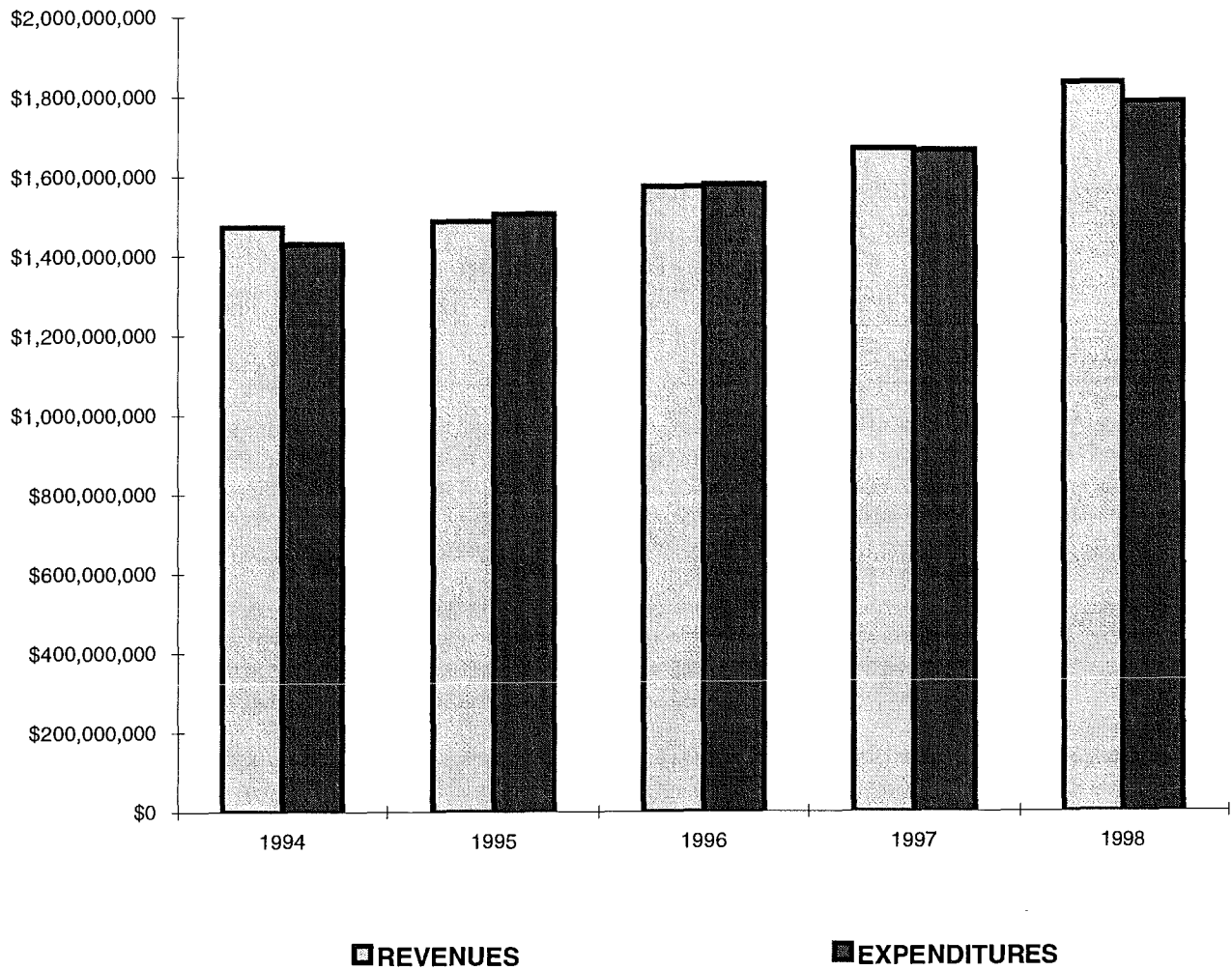
Departments/Programs	1994		1995		1996		1997		1998	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Administrative and Financial Services										
Buildings and Grounds Operations	\$1,309,761	0.66%	\$1,367,068	0.60%	\$1,438,227	0.63%	\$1,423,855	0.59%	\$1,269,644	0.61%
State Claims Board	\$109,746	0.06%	\$119,042	0.05%	\$109,910	0.05%	\$113,519	0.05%	\$113,829	0.05%
Other DAFS Programs	\$49,482	0.03%	\$86,127	0.04%	\$75,118	0.03%	\$774,428	0.32%	\$78,525	0.04%
Administrative and Financial Services	\$1,468,988	0.74%	\$1,572,238	0.69%	\$1,623,255	0.71%	\$2,311,803	0.95%	\$1,461,998	0.70%
Agriculture, Food & Rural Resources	\$42,623	0.02%	\$43,150	0.02%	\$45,138	0.02%	\$48,541	0.02%	\$1,199	0.00%
Attorney General	\$932,688	0.47%	\$1,058,775	0.46%	\$1,174,554	0.51%	\$1,195,864	0.49%	\$0	0.00%
Legislature	\$48	0.00%	\$0	0.00%	\$0	0.00%	\$1,024	0.00%	\$449	0.00%
Public Safety										
State Police	\$20,296,656	10.26%	\$21,472,224	9.43%	\$21,789,113	9.50%	\$20,242,031	8.36%	\$15,190,839	7.27%
Other Public Safety Programs	\$2,041,367	1.03%	\$2,449,307	1.08%	\$2,429,403	1.06%	\$2,516,627	1.04%	\$2,425,613	1.16%
Public Safety	\$22,338,023	11.30%	\$23,921,531	10.50%	\$24,218,515	10.56%	\$22,758,657	9.40%	\$17,616,452	8.44%
Secretary of State										
Administration - Motor Vehicles	\$17,352,516	8.77%	\$19,751,660	8.67%	\$19,780,570	8.62%	\$20,331,361	8.40%	\$20,905,530	10.01%
Other Secretary of State Programs	\$228,303	0.12%	\$311,951	0.14%	\$282,952	0.12%	\$272,598	0.11%	\$708,483	0.34%
Secretary of State	\$17,580,818	8.89%	\$20,063,611	8.81%	\$20,063,522	8.75%	\$20,603,979	8.51%	\$21,614,013	10.35%
Transportation										
Highway and Bridge Improvement	\$15,546,447	7.86%	\$34,368,525	15.09%	\$26,656,004	11.62%	\$30,717,194	12.69%	\$19,521,158	9.35%
Highway Maintenance	\$72,621,663	36.72%	\$75,798,158	33.27%	\$81,571,894	35.56%	\$84,954,743	35.09%	\$85,196,539	40.80%
Bridge Maintenance	\$9,195,737	4.65%	\$9,923,877	4.36%	\$10,343,452	4.51%	\$10,927,896	4.51%	\$11,197,083	5.36%
Local Road Assistance	\$19,305,720	9.76%	\$19,298,411	8.47%	\$19,419,782	8.46%	\$19,450,195	8.03%	\$6,069,918	2.91%
Local Bridges	\$907,530	0.46%	\$1,189,525	0.52%	\$1,438,083	0.63%	\$1,574,448	0.65%	\$2,200,441	1.05%
Collector Road Program	\$2,526,385	1.28%	(\$262,210)	-0.12%	\$2,362,908	1.03%	\$3,649,732	1.51%	\$833,485	0.40%
Traffic Service	\$2,582,667	1.31%	\$3,556,591	1.56%	\$3,006,795	1.31%	\$3,120,215	1.29%	\$3,734,287	1.79%
Administration & Planning	\$10,160,582	5.14%	\$10,753,875	4.72%	\$11,102,851	4.84%	\$11,271,214	4.65%	\$11,727,320	5.62%
Other Transportation Programs	\$1,052,049	0.53%	\$1,289,165	0.57%	\$1,069,318	0.47%	\$1,049,603	0.43%	\$687,506	0.33%
Debt Service-Transportation	\$21,498,884	10.87%	\$25,225,689	11.07%	\$25,321,471	11.04%	\$28,500,221	11.77%	\$26,955,196	12.91%
Transportation	\$155,397,666	78.58%	\$181,141,605	79.52%	\$182,292,557	79.46%	\$195,215,460	80.62%	\$168,122,932	80.51%
Total - Highway Fund Expenditures	\$197,760,855	100.0%	\$227,800,909	100.0%	\$229,417,541	100.0%	\$242,135,329	100.0%	\$208,817,043	100.0%

Table HF-3 HIGHWAY FUND
Fiscal Years 1994 - 1998
Expenditures

Expenditures - By Expenditure Category

Expenditure Category	1994		1995		1996		1997		1998	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Personal Services										
Salaries and Wages	66,001,731	33.4%	71,241,200	31.3%	68,080,461	29.7%	70,327,294	29.0%	65,799,751	31.5%
Retirement Costs	12,478,028	6.3%	14,154,491	6.2%	15,246,500	6.6%	16,474,245	6.8%	14,516,400	7.0%
Health Ins. & Other Fringe Ben.	10,021,995	5.1%	11,969,044	5.3%	16,484,586	7.2%	16,710,574	6.9%	15,645,112	7.5%
Unemployment Reimbursements	348,372	0.2%	331,485	0.1%	254,450	0.1%	263,622	0.1%	172,376	0.1%
Personal Services - Subtotal	88,850,126	44.9%	97,696,219	42.9%	100,065,997	43.6%	103,775,736	42.9%	96,133,640	46.0%
All Other										
Professional Services	377,551	0.2%	4,176,206	1.8%	5,179,505	2.3%	5,235,585	2.2%	4,275,373	2.0%
Travel Expenses	1,115,503	0.6%	1,172,499	0.5%	671,588	0.3%	781,904	0.3%	920,414	0.4%
Miscellaneous Oper. Expenses	35,585,358	18.0%	32,032,404	14.1%	38,849,519	16.9%	39,528,556	16.3%	39,671,805	19.0%
Commodities	11,284,430	5.7%	11,852,861	5.2%	12,449,505	5.4%	15,148,764	6.3%	13,631,865	6.5%
Grants, Subsidies and Pensions										
To Other Governments	19,301,155	9.8%	19,694,638	8.6%	19,903,718	8.7%	20,215,246	8.3%	6,257,747	3.0%
To Pub. and Priv. Orgs.	1,310,512	0.7%	1,330,729	0.6%	957,367	0.4%	1,160,861	0.5%	840,477	0.4%
To Individuals	4,193,943	2.1%	4,035,454	1.8%	792,924	0.3%	500,728	0.2%	403,637	0.2%
Debt Service										
Principal	12,965,000	6.6%	16,405,000	7.2%	17,510,000	7.6%	20,380,000	8.4%	19,880,000	9.5%
Interest	8,533,882	4.3%	8,820,689	3.9%	7,811,471	3.4%	8,176,596	3.4%	7,125,276	3.4%
All Other - Subtotal	94,667,333	47.9%	99,520,480	43.7%	104,125,596	45.4%	111,128,239	45.9%	93,006,594	44.5%
Capital Expenditures	11,472,290	5.8%	26,355,895	11.6%	21,089,148	9.2%	23,550,329	9.7%	17,047,074	8.2%
Contrib. and Trans. to Other Funds	2,771,105	1.4%	4,228,314	1.9%	4,136,800	1.8%	3,681,026	1.5%	2,629,735	1.3%
Total Expenditures	197,760,855	100.0%	227,800,909	100.0%	229,417,541	100.0%	242,135,329	100.0%	208,817,043	100.0%

**Graph OSR-1 OTHER SPECIAL REVENUE FUNDS
Revenues and Expenditures
Fiscal Years 1994 - 1998**



	1994	1995	1996	1997	1998
REVENUES	\$1,473,731,687	\$1,487,644,795	\$1,573,900,684	\$1,668,097,133	\$1,831,885,473
Annual % Change	4.9%	0.9%	5.8%	6.0%	9.8%
EXPENDITURES	\$1,430,197,789	\$1,504,919,776	\$1,579,240,507	\$1,662,806,247	\$1,782,596,264
Annual % Change	1.9%	5.2%	4.9%	5.3%	7.2%

Table OSR-1 Other Special Revenue Funds - Revenue
Fiscal Years 1994 - 1998

REVENUE SOURCE	1994		1995		1996		1997		1998	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Sales and Use Taxes	\$434,300	0.03%	\$1,270,719	0.09%	\$406,455	0.03%	(\$16)	0.00%	(\$12)	0.00%
Transfers for Municipal Revenue Sharing	\$66,329,656	4.50%	\$69,983,812	4.70%	\$72,612,483	4.61%	\$77,702,772	4.66%	\$89,495,308	4.89%
Estate Tax	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$6,200,000	0.34%
Cigarette Tax	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$28,845,919	1.57%
Cig. & Tobacco Products Lic. Fees	\$0	0.00%	\$0	0.00%	\$59,725	0.00%	\$18,590	0.00%	\$17,720	0.00%
Fire Invest. & Prevention Tax	\$1,909,845	0.13%	\$2,033,291	0.14%	\$2,003,525	0.13%	\$2,126,148	0.13%	\$2,109,489	0.12%
Insurance Company Assessment	\$3,111,758	0.21%	\$2,847,664	0.19%	\$3,385,354	0.22%	\$1,050,456	0.06%	\$2,291,135	0.13%
Assessment on Workers' Comp Insurers	\$3,909,114	0.27%	\$5,647,876	0.38%	\$4,767,397	0.30%	\$6,730,386	0.40%	\$8,126,555	0.44%
Safety and Education Fund Assessment	\$1,901,289	0.13%	\$1,154,277	0.08%	\$1,447,640	0.09%	\$1,782,403	0.11%	\$1,887,220	0.10%
Insurance License & Other Misc. Fees	\$2,866,469	0.19%	\$1,630,237	0.11%	\$3,244,673	0.21%	\$2,266,736	0.14%	\$4,680,691	0.26%
Banking Industry Fees & Assessments	\$4,331,874	0.29%	\$4,032,935	0.27%	\$3,710,389	0.24%	\$4,778,756	0.29%	\$3,842,685	0.21%
Professional & Occupational Lic. Fees	\$4,232,477	0.29%	\$4,063,151	0.27%	\$4,617,246	0.29%	\$4,092,536	0.25%	\$5,160,187	0.28%
Hospital Assessment	\$126,734,559	8.60%	\$96,123,622	6.46%	\$126,344,140	8.03%	\$138,498,110	8.30%	\$128,805,830	7.03%
Hospital License Fees	\$107,478	0.01%	\$246,037	0.02%	(\$4,371)	0.00%	\$24,279	0.00%	\$282,408	0.02%
Railroad Company Tax	\$150,000	0.01%	\$150,000	0.01%	\$150,000	0.01%	\$150,000	0.01%	\$150,000	0.01%
Public Utilities Commission Assessment	\$4,590,112	0.31%	\$304,495	0.02%	\$4,613,559	0.29%	\$8,558,646	0.51%	\$6,365,833	0.35%
Public Advocate Assessment	\$563,937	0.04%	\$0	0.00%	\$1,215,756	0.08%	\$666,624	0.04%	\$274,462	0.01%
Real Estate Transfer Tax	\$2,000,000	0.14%	\$2,000,000	0.13%	\$2,489,676	0.16%	\$2,565,499	0.15%	\$3,268,004	0.18%
Unorganized Territory Taxes	\$6,797,632	0.46%	\$4,513,655	0.30%	\$5,260,096	0.33%	\$4,837,211	0.29%	\$4,559,641	0.25%
Other Unorganized Territory Taxes	\$613,153	0.04%	\$603,101	0.04%	\$721,269	0.05%	\$690,952	0.04%	\$722,882	0.04%
Gasoline Tax	\$2,265,669	0.15%	\$2,576,758	0.17%	\$2,756,982	0.18%	\$2,718,595	0.16%	\$2,863,275	0.16%
Motor Vehicle & Operator's License Fees	\$2,387,556	0.16%	\$3,645,126	0.25%	\$3,714,273	0.24%	\$3,955,561	0.24%	\$4,881,918	0.27%
Hunting and Fishing License Fees	\$148,395	0.01%	\$146,469	0.01%	\$180,223	0.01%	\$196,040	0.01%	\$225,091	0.01%
ATV, Snowmobile & Watercraft Fees	\$900,420	0.06%	\$1,256,392	0.08%	\$1,718,007	0.11%	\$1,986,512	0.12%	\$2,592,320	0.14%
Marine Resources License Fees	\$236,368	0.02%	\$278,955	0.02%	\$787,673	0.05%	\$637,011	0.04%	\$729,193	0.04%
Sardine Tax	\$301,826	0.02%	\$273,880	0.02%	\$197,208	0.01%	\$257,980	0.02%	\$185,767	0.01%
Atlantic Salmon License Fees	\$145,609	0.01%	\$161,055	0.01%	\$189,203	0.01%	\$182,476	0.01%	\$263,918	0.01%
Mahogany Quahog Tax	\$19,988	0.00%	\$16,000	0.00%	\$15,695	0.00%	\$16,000	0.00%	\$16,000	0.00%
Environmental Protection Fees	\$3,199,114	0.22%	\$16,476,447	1.11%	\$19,452,618	1.24%	\$15,961,139	0.96%	\$21,037,461	1.15%
Recycling Assistance Fee	\$2,599,050	0.18%	\$2,843,927	0.19%	\$2,346,606	0.15%	\$1,558,921	0.09%	\$1,129,261	0.06%
Milk Pool & Other Milk Fees	\$965,882	0.07%	\$886,090	0.06%	\$886,054	0.06%	\$887,095	0.05%	\$917,212	0.05%
Milk Dairy Stabilization Tax	\$1,865,440	0.13%	\$671,535	0.05%	\$0	0.00%	\$0	0.00%	\$0	0.00%
Blueberry Tax	\$733,707	0.05%	\$680,716	0.05%	\$724,617	0.05%	\$646,456	0.04%	\$824,616	0.05%
Potato Tax	\$856,216	0.06%	\$718,652	0.05%	\$719,633	0.05%	\$874,490	0.05%	\$751,943	0.04%
Pari-mutuel Revenue	\$1,245,307	0.08%	\$1,188,862	0.08%	\$2,389,941	0.15%	\$3,167,163	0.19%	\$3,052,893	0.17%
Misc. Other Taxes, Fees & Assessments	\$2,935,656	0.20%	\$3,464,598	0.23%	\$3,127,957	0.20%	\$3,463,610	0.21%	\$3,500,970	0.19%
Lottery Revenue	\$0	0.00%	\$0	0.00%	\$1,631,455	0.10%	\$1,068,430	0.06%	\$1,104,572	0.06%
From Federal Government	\$1,055,407,318	71.61%	\$1,097,833,812	73.80%	\$1,152,036,303	73.20%	\$1,215,669,724	72.88%	\$1,329,739,768	72.59%
From Local Governments	\$4,940,952	0.34%	\$4,421,780	0.30%	\$3,408,891	0.22%	\$6,468,562	0.39%	\$7,012,242	0.38%
From Private Sources	\$54,988,883	3.73%	\$62,628,390	4.21%	\$65,526,391	4.16%	\$75,576,488	4.53%	\$93,468,521	5.10%
Service Charges for Current Services	\$61,899,078	4.20%	\$62,617,548	4.21%	\$62,178,844	3.95%	\$65,535,720	3.93%	\$66,233,943	3.62%
Contrib. and Trans. from Other Funds	\$21,766,495	1.48%	\$16,867,492	1.13%	\$2,071,110	0.13%	\$384,364	0.02%	(\$18,160,180)	-0.99%
Sales & Comp. for Loss of Property	\$2,349,137	0.16%	\$3,192,970	0.21%	\$1,934,067	0.12%	\$2,081,401	0.12%	\$2,736,645	0.15%
Fines, Forfeits & Penalties	\$3,227,289	0.22%	\$3,374,887	0.23%	\$3,513,224	0.22%	\$3,417,076	0.20%	\$4,502,158	0.25%
Earnings on Investments	\$943,334	0.06%	\$2,127,036	0.14%	\$2,432,463	0.15%	\$2,339,177	0.14%	\$2,773,639	0.15%
From Maine Turnpike Authority	\$16,819,347	1.14%	\$2,690,547	0.18%	\$2,916,233	0.19%	\$2,507,055	0.15%	\$2,416,374	0.13%
Total - Spec. Rev. Funds Revenue	\$1,473,731,687	100.0%	\$1,487,644,795	100.0%	\$1,573,900,684	100.0%	\$1,668,097,133	100.0%	\$1,831,885,473	100.0%

See Revenue Notes in Section III - Summary of Major Revenue Sources for more detail.

Table OSR-2 Other Special Revenue Funds Expenditures by Departments & Major Programs

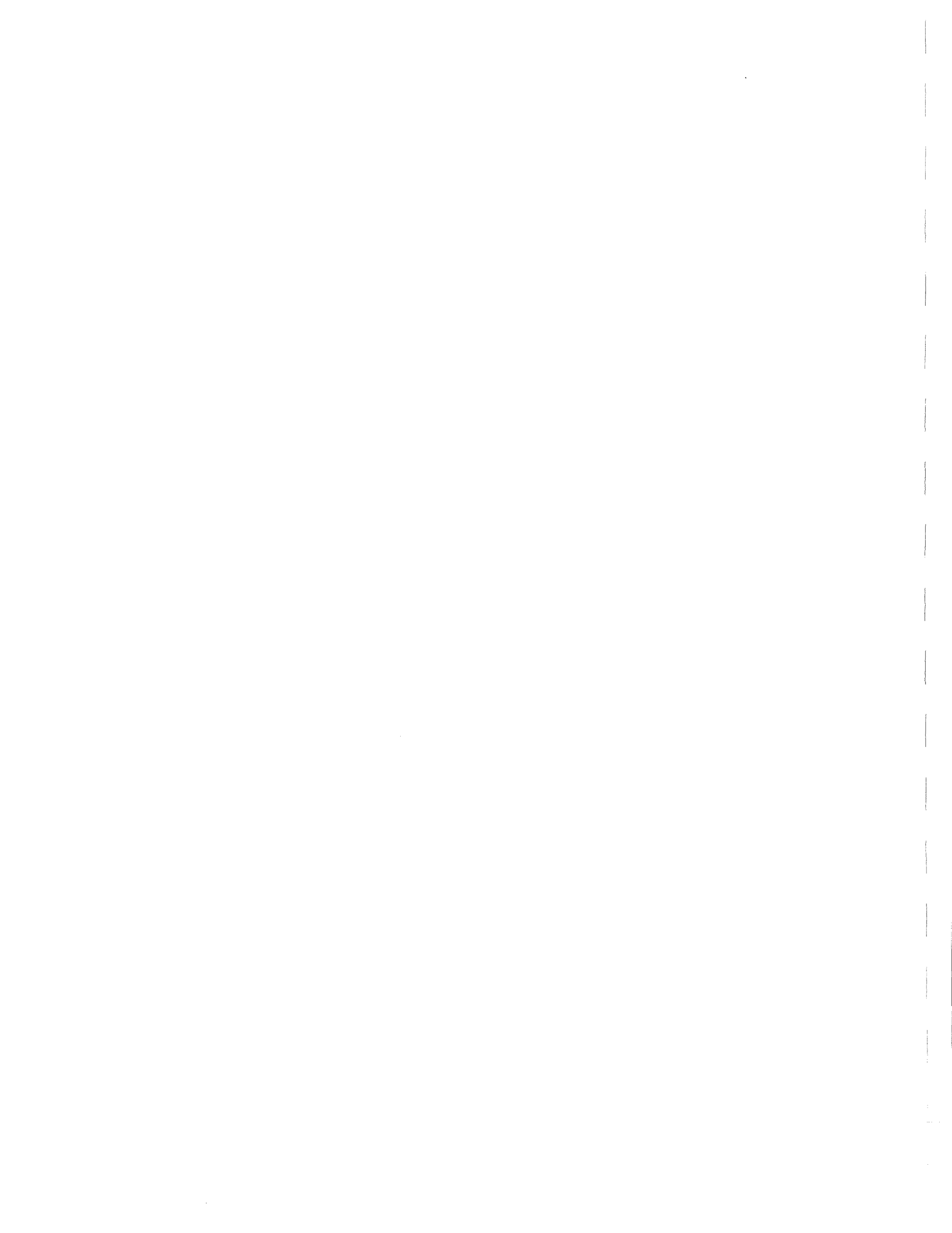
Fiscal Years 1994 - 1998

Department/Program	1994		1995		1996		1997		1998	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Administrative and Financial Services										
Tax Relief & Reimbursement Programs	\$0	0.00%	\$25,885	0.00%	\$3,850	0.00%	\$0	0.00%	\$43,478	0.00%
Unorg. Terr. County Taxes	\$5,683,122	0.40%	\$5,612,493	0.37%	\$5,680,968	0.36%	\$5,580,719	0.34%	\$5,764,861	0.32%
Other DAFS Programs	\$3,550,657	0.25%	\$4,789,396	0.32%	\$2,895,128	0.18%	\$3,412,330	0.21%	\$4,158,129	0.23%
Administrative and Financial Services	\$9,233,779	0.65%	\$10,427,774	0.69%	\$8,579,946	0.54%	\$8,993,049	0.54%	\$9,966,469	0.56%
Agriculture, Food & Rural Resources	\$13,595,988	0.95%	\$13,670,810	0.91%	\$14,384,546	0.91%	\$14,718,645	0.89%	\$12,298,042	0.69%
Attorney General	\$3,507,944	0.25%	\$4,062,572	0.27%	\$5,023,846	0.32%	\$5,411,306	0.33%	\$5,712,526	0.32%
Conservation	\$6,805,520	0.48%	\$7,262,288	0.48%	\$8,020,046	0.51%	\$8,492,598	0.51%	\$10,123,716	0.57%
Corrections										
Adult Corrections	\$641,267	0.04%	\$728,926	0.05%	\$621,965	0.04%	\$991,293	0.06%	\$562,403	0.03%
Juvenile Corrections	\$327,337	0.02%	\$376,485	0.03%	\$270,342	0.02%	\$231,242	0.01%	\$208,869	0.01%
Other Corrections Programs	\$390,497	0.03%	\$553,572	0.04%	\$782,523	0.05%	\$1,068,211	0.06%	\$2,048,660	0.11%
Corrections	\$1,359,101	0.10%	\$1,658,983	0.11%	\$1,674,829	0.11%	\$2,290,745	0.14%	\$2,819,932	0.16%
Cultural Agencies	\$2,658,358	0.19%	\$2,655,346	0.18%	\$2,604,355	0.16%	\$2,460,239	0.15%	\$1,887,206	0.11%
Defense, Veterans and Emerg. Mngmt.	\$12,289,143	0.86%	\$10,020,740	0.67%	\$8,228,966	0.52%	\$13,282,975	0.80%	\$31,321,587	1.76%
Economic and Community Development	\$13,246,526	0.93%	\$18,649,907	1.24%	\$20,344,837	1.29%	\$16,869,494	1.01%	\$15,997,120	0.90%
Education										
General Purpose Aid for Local Schools	\$15,000,000	1.05%	\$3,289,692	0.22%	\$0	0.00%	\$0	0.00%	\$0	0.00%
Preschool Handicapped	\$1,964,318	0.14%	\$3,004,134	0.20%	\$4,383,502	0.28%	\$4,271,158	0.26%	\$4,139,647	0.23%
Other Department of Education Programs	\$77,613,901	5.43%	\$79,386,340	5.28%	\$80,917,235	5.12%	\$81,916,813	4.93%	\$87,940,968	4.93%
Education	\$94,578,219	6.61%	\$85,680,166	5.69%	\$85,300,737	5.40%	\$86,187,971	5.18%	\$92,080,615	5.17%
Higher Educ. Institutions and Programs	\$469,497	0.03%	\$500,165	0.03%	\$488,805	0.03%	\$517,171	0.03%	\$514,369	0.03%
Environmental Protection	\$26,623,175	1.86%	\$33,787,530	2.25%	\$29,222,741	1.85%	\$31,110,854	1.87%	\$30,376,603	1.70%
Executive Department	\$4,084,177	0.29%	\$2,260,718	0.15%	\$4,191,612	0.27%	\$4,363,400	0.26%	\$3,886,998	0.22%
Human Services										
Medical Care - Payments to Providers	\$444,925,127	31.11%	\$499,196,861	33.17%	\$531,296,469	33.64%	\$607,459,452	36.53%	\$656,306,191	36.82%
Nursing Facilities	\$198,046,704	13.85%	\$208,835,603	13.88%	\$197,837,669	12.53%	\$189,998,349	11.43%	\$179,693,531	10.08%
AFDC/TANF	\$106,378,563	7.44%	\$108,790,443	7.23%	\$115,263,140	7.30%	\$113,209,659	6.81%	\$105,418,560	5.91%
Child Welfare Services	\$14,874,104	1.04%	\$18,554,672	1.23%	\$24,999,590	1.58%	\$28,093,659	1.69%	\$34,255,187	1.92%
General Assistance	\$553,121	0.04%	\$582,800	0.04%	\$357,564	0.02%	\$456,343	0.03%	\$3,724,779	0.21%
Other Human Services Programs	\$106,777,490	7.47%	\$122,768,222	8.16%	\$127,250,896	8.06%	\$140,051,506	8.42%	\$175,088,680	9.82%
Human Services	\$871,555,109	60.94%	\$958,728,601	63.71%	\$997,005,329	63.13%	\$1,079,268,967	64.91%	\$1,154,486,927	64.76%
Inland Fisheries and Wildlife	\$4,034,905	0.28%	\$6,565,630	0.44%	\$5,945,181	0.38%	\$6,238,614	0.38%	\$6,949,485	0.39%
Judicial Department	\$547,789	0.04%	\$712,844	0.05%	\$1,336,931	0.08%	\$1,411,743	0.08%	\$2,546,090	0.14%
Labor										
Other Labor Programs	\$1,819,970	0.13%	\$2,163,171	0.14%	\$2,406,190	0.15%	\$3,206,537	0.19%	\$5,757,901	0.32%
Rehabilitation Services	\$14,590,357	1.02%	\$16,951,230	1.13%	\$15,617,905	0.99%	\$12,719,186	0.76%	\$13,126,997	0.74%
Employment Services Activities	\$18,176,844	1.27%	\$21,060,094	1.40%	\$17,911,763	1.13%	\$19,162,323	1.15%	\$27,528,016	1.54%
Employment Security Services	\$78,611,845	5.50%	\$32,933,258	2.19%	\$29,902,832	1.89%	\$31,431,289	1.89%	\$24,179,235	1.36%
Labor	\$113,199,017	7.91%	\$73,107,753	4.86%	\$65,838,690	4.17%	\$66,519,336	4.00%	\$70,592,149	3.96%
Legislature	\$35,947	0.00%	\$270,563	0.02%	\$90,683	0.01%	\$566	0.00%	\$55,243	0.00%
Marine Resources	\$2,137,378	0.15%	\$2,407,380	0.16%	\$2,762,315	0.17%	\$3,620,517	0.22%	\$3,724,789	0.21%
Men. Health, Men. Ret. & Sub. Ab. Svc.										
Mental Retardation Services	\$1,355,592	0.09%	\$1,487,647	0.10%	\$1,308,183	0.08%	\$1,378,002	0.08%	\$1,270,768	0.07%
Mental Health Services	\$1,552,923	0.11%	\$1,462,597	0.10%	\$1,806,442	0.11%	\$4,380,773	0.26%	\$7,210,707	0.40%
Other MHMRSAS Programs	\$33,343,112	2.33%	\$38,723,266	2.57%	\$43,573,039	2.76%	\$44,439,917	2.67%	\$46,664,872	2.62%
Men. Health, Men. Ret. & Sub. Ab. Svc.	\$36,251,627	2.53%	\$41,673,510	2.77%	\$46,687,664	2.96%	\$50,198,692	3.02%	\$55,146,346	3.09%
Professional and Financial Regulation	\$11,787,153	0.82%	\$13,411,917	0.89%	\$14,078,757	0.89%	\$14,596,970	0.88%	\$14,481,408	0.81%
Public Safety										
Public Safety - State Police	\$573,554	0.04%	\$576,554	0.04%	\$923,546	0.06%	\$1,562,128	0.09%	\$1,570,525	0.09%
Public Safety - Other Programs	\$9,916,211	0.69%	\$10,592,618	0.70%	\$11,854,401	0.75%	\$12,194,338	0.73%	\$13,318,704	0.75%
Public Safety	\$10,489,765	0.73%	\$11,169,171	0.74%	\$12,777,947	0.81%	\$13,756,466	0.83%	\$14,889,228	0.84%
Secretary of State	\$908,268	0.06%	\$906,108	0.06%	\$845,588	0.05%	\$1,015,261	0.06%	\$1,248,774	0.07%
Transportation										
Highway & Bridge Maintenance/Improvement	\$96,547,899	6.75%	\$100,587,665	6.68%	\$143,813,799	9.11%	\$124,813,479	7.51%	\$124,492,214	6.98%
Debt Service-Transportation	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
Other Transportation Programs	\$8,274,662	0.58%	\$9,361,015	0.62%	\$8,091,214	0.51%	\$8,621,334	0.52%	\$5,069,228	0.28%
Transportation	\$104,822,561	7.33%	\$109,948,680	7.31%	\$151,905,013	9.62%	\$133,434,813	8.02%	\$129,561,442	7.27%
Treasurer of State										
Debt Service-Treasury	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
Municipal Revenue Sharing-Treasury	\$69,430,834	4.85%	\$72,999,138	4.85%	\$72,706,250	4.60%	\$77,702,623	4.67%	\$89,494,820	5.02%
Other Treasury Programs	\$53,480	0.00%	\$54,836	0.00%	\$41,628	0.00%	\$0	0.00%	\$0	0.00%
Treasurer of State	\$69,484,315	4.86%	\$73,053,974	4.85%	\$72,747,877	4.61%	\$77,702,623	4.67%	\$89,494,820	5.02%
All Other - State Agencies	\$16,492,529	1.15%	\$22,326,644	1.48%	\$19,153,263	1.21%	\$20,343,231	1.22%	\$22,434,380	1.26%
Total - Other Spec. Rev. Funds Exp.	\$1,430,197,789	100.0%	\$1,504,919,776	100.0%	\$1,579,240,507	100.0%	\$1,662,806,247	100.0%	\$1,782,596,264	100.0%

**Table OSR-3 OTHER SPECIAL REVENUE FUNDS
Fiscal Years 1994 - 1998
Expenditures**

Expenditures - By Expenditure Category

Expenditure Category	1994		1995		1996		1997		1998	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Personal Services										
Salaries and Wages	124,654,334	8.7%	137,386,340	9.1%	136,937,955	8.7%	134,477,531	8.1%	135,458,026	7.6%
Retirement Costs	21,415,454	1.5%	23,971,605	1.6%	27,944,767	1.8%	29,806,995	1.8%	29,718,504	1.7%
Health Ins. & Other Fringe Ben.	15,534,401	1.1%	19,148,083	1.3%	25,713,209	1.6%	25,387,893	1.5%	23,507,895	1.3%
Unemployment Reimbursements	302,989	0.0%	279,922	0.0%	358,435	0.0%	270,015	0.0%	230,882	0.0%
Personal Services - Subtotal	161,907,178	11.3%	180,785,949	12.0%	190,954,365	12.1%	189,942,434	11.4%	188,915,306	10.6%
All Other										
Professional Services	35,940,476	2.5%	45,999,906	3.1%	46,960,511	3.0%	52,165,192	3.1%	66,376,614	3.7%
Travel Expenses	4,080,522	0.3%	4,529,536	0.3%	4,201,639	0.3%	4,084,213	0.2%	4,544,456	0.3%
Miscellaneous Oper. Expenses	32,374,966	2.3%	38,848,313	2.6%	31,671,000	2.0%	33,225,302	2.0%	45,022,157	2.5%
Commodities	8,072,978	0.6%	9,359,164	0.6%	8,894,555	0.6%	9,503,127	0.6%	13,398,896	0.8%
Grants, Subsidies and Pensions										
To Other Governments	175,067,447	12.2%	171,733,302	11.4%	166,957,696	10.6%	174,330,425	10.5%	209,233,310	11.7%
To Pub. and Priv. Orgs.	91,358,168	6.4%	99,611,681	6.6%	111,842,331	7.1%	108,485,723	6.5%	117,497,401	6.6%
To Individuals	839,034,499	58.7%	866,325,166	57.6%	894,244,594	56.6%	977,398,948	58.8%	1,030,412,103	57.8%
All Other - Subtotal	1,185,929,056	82.9%	1,236,407,068	82.2%	1,264,772,326	80.1%	1,359,192,930	81.7%	1,486,484,937	83.4%
Capital Expenditures	79,069,978	5.5%	83,409,601	5.5%	118,891,556	7.5%	109,305,746	6.6%	103,393,949	5.8%
Contrib. and Trans. to Other Funds	3,291,577	0.2%	4,317,158	0.3%	4,622,260	0.3%	4,365,136	0.3%	3,802,071	0.2%
Total Expenditures	1,430,197,789	100.0%	1,504,919,776	100.0%	1,579,240,507	100.0%	1,662,806,247	100.0%	1,782,596,264	100.0%



SECTION III - SUMMARY OF MAJOR TAXES AND REVENUE SOURCES

The following pages contain a description of the major tax and revenue sources. The summary identifies the present tax base for each tax or the persons or entities required to pay each of the major license fees or assessments or the source of some of the major groupings of revenue that are not considered taxes, fees or assessments. Most of these summaries include a statutory history showing dates of adoption and more recent major amendments to the tax. Each section includes "Revenue Notes" that provides information about the revenue collected from the various sources and cross-references to the revenue tables in Section II of this report.

INCOME TAXES - 36 M.R.S.A. cc. 801-841

Individual Income Tax. A tax is imposed for each taxable year on the Maine taxable income of every resident individual, estate and trust of this state. 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 from sources within this state. Tax rates are progressive from 2% to 8.5%. **Table III-1** on page 23 provides a summary of individual income tax schedules, personal exemption and standard deductions. For nonresident individuals, the rate 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 items of income which constitute Maine taxable income is also required to withhold Maine income tax from such payments if federal withholding is required.

Partnerships and S Corporations. Every partnership and S corporation having a resident partner or shareholder or having Maine derived income is required to file an information tax return.

Limited Liability Companies. Limited liability companies are taxed as partnerships or corporations according to the treatment elected by the company for purposes of the federal income tax.

Corporate Income Tax. A corporate income tax is imposed on all corporations subject to federal income tax and having nexus with Maine, with the exception of financial institutions subject to the franchise tax and insurance companies subject to the premium tax. The tax is levied on Maine net income which is federal taxable income as modified by Maine law. In the case of a corporation doing business both within and outside of the State, Maine net income is determined by apportioning the modified federal taxable income according to a formula using payroll, property and sales. Tax rates are progressive from 3.5% to 8.93% (see **Table III-1** on page 23 for rates). A taxable corporation which is a member of an affiliated group operating in a unitary fashion must file a combined report.

Income Taxes - continued

Revenue Notes - Income Taxes - Table OPF-1, Table GF-1 & Table OSR-1

Income tax collections accrue to the General Fund. At the end of each month 5.1% of this revenue is reserved for transfer to the Local Government Fund for municipal revenue sharing (See page 25). **Table OPF-1** includes all income taxes: individual, corporate and franchise tax on financial institutions. **Table GF-1** separates individual income tax revenue amounts from the corporate income tax. **The 1998 amounts include \$137,245,402 that was transferred to the Tax Relief Fund for Maine Residents.** These amounts are included in the State Controller's report as General Fund revenue and are reflected in the General Fund balance sheet as a reserve account. Individual income tax revenue began year-end accruals of revenue in fiscal year 1996. These accruals were \$24,200,000 annually in fiscal years 1996 and 1997 and \$32,760,000 in fiscal year 1998.

History - Income Taxes

Adopted 1969. Originally effective on July 1, 1969, for individuals, estates and trusts and on January 1, 1969, for corporations. Amended numerous times since enactment to alter the tax rates and other provisions. For individuals, the tax rate brackets, standard deduction and personal exemption have been subject to indexing for inflation since tax year 1983 for each year except tax years 1988 and 1989. For tax years 1992 through 1998 the tax rate brackets and personal exemption were not adjusted for inflation because the inflation factor was less than 1.000. Since 1989 the standard deduction is the same as the federal deduction. The tax rate brackets for fiduciaries have been subject to indexing for the same period. Amended in 1998 to increase the personal exemption to \$2400 in 1998 and \$2750 in 1999 and indexed in subsequent years.

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

The franchise tax on financial institutions is imposed annually on every financial institution doing business in Maine that has a substantial physical presence in the State and which at any time during the taxable year realized Maine net income or has Maine assets. The franchise tax is comprised of two parts: (1) one percent of Maine net income and (2) 8¢ per \$1,000 of Maine assets. A financial institution which is a member of an affiliated group operating in a unitary fashion must file a combined report.

Revenue Notes - Franchise Tax on Financial Institutions - Table OPF-1, Table GF-1 and Table OSR-1

The franchise tax on financial institutions is collected as part of the corporate income tax filing process and accrues to the General Fund with 5.1% transferred to the Local Government Fund. Revenue from this tax is included in **Table OPF-1** under income taxes and in **Table GF-1** and **Table OSR-1** 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 \$1000 of Maine assets. Tax was doubled in 1986. Amended in 1997 and 1998 to clarify definitions, application and apportionment.

Table III-1 State of Maine - Individual and Corporate Income Tax - 1998 Rates

Individual Income Tax Rate Schedules

Note: Since the inflation factor for 1998 is .982, less than 1.000, no adjustments have been made in the tax rate schedule dollar bracket amount and the personal exemption (see 36 MRSA §5403).

FOR SINGLE INDIVIDUALS AND MARRIED PERSONS FILING SEPARATE RETURNS

If the taxable income is:	The tax is:
Less than \$4,150	2.0% of the taxable income
\$ 4,150 but less than \$ 8,250	\$ 83 plus 4.5% of excess over \$ 4,150
\$ 8,250 but less than \$16,500	\$ 268 plus 7.0% of excess over \$ 8,250
\$16,500 or more	\$ 846 plus 8.5% of excess over \$16,500

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

If the taxable income is:	The tax is:
Less than \$6,200	2.0% of the taxable income
\$ 6,200 but less than \$12,400	\$124 plus 4.5% of excess over \$ 6,200
\$12,400 but less than \$24,750	\$403 plus 7.0% of excess over \$12,400
\$24,750 or more	\$1,268 plus 8.5% of excess over \$24,750

FOR MARRIED INDIVIDUALS AND SURVIVING SPOUSES FILING JOINT RETURNS

If the taxable income is:	The tax is:
Less than \$ 8,250	2.0% of the taxable income
\$8,250 but less than \$16,500	\$165 plus 4.5% of excess over \$ 8,250
\$16,500 but less than \$33,000	\$536 plus 7.0% of excess over \$16,500
\$33,000 or more	\$1,691 plus 8.5% of excess over \$33,000

PERSONAL EXEMPTION: \$2,400 for each exemption claimed on the federal income tax form

STANDARD DEDUCTION:

Single - \$4,250	Married Filing Jointly - \$7,100
Head-of-Household - \$6,250	Married Filing Separate - \$3,550

If taxpayer can be claimed as a dependent on another person's return, the standard deduction is the greater of \$700 or earned income plus \$250 up to the standard deduction amount. Additional Standard Deduction Amounts for Age (65 or over) and/or Blindness:

Married (whether filing jointly or separately) or Qualified Surviving Spouse

- \$850 for each occurrence of an individual meeting age threshold or being blind
- Maximum of \$3,400 additional if both spouses are blind and over 65

Single or Head-of-Household

- \$1,050 for each occurrence of an individual meeting age threshold or being blind
- Maximum of \$2,100 additional if individual is blind and over 65

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	7.93%
\$ 75,000 but not over \$250,000	8.33%
\$250,000 or over	8.93%

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

Sales Tax The sales tax is imposed at the rate of 6% of the actual sales price on retail sales of tangible personal property, telephone and telegraph service, fabrication services, extended cable television service, custom computer programming and rentals of video tapes, games and equipment; at 7% on temporary rentals of living quarters in hotels, rooming houses, tourist and trailer camps, the sale of liquor by the drink and meals purchased at facilities licensed for the on-premise consumption of alcoholic beverages; and at 10% on the short-term rental of automobiles. The tax is also imposed on casual sales of motor vehicles, camper trailers, livestock trailers, special mobile equipment, boats and aircraft. Sales of new manufactured housing (mobile homes and modular homes) are subject to the 6% tax, usually at 50% of the selling price. Many exemptions and exclusions exist, including grocery staples.

Use Tax The use tax is imposed at the same rate as the sales tax on the actual sales price of tangible personal property purchased at retail sale in another jurisdiction for use, storage or other consumption in Maine, unless substantial (12 months) use was made of the property elsewhere before it was brought to Maine. An exception is made for motor vehicles registered as automobiles which were purchased and actually used in another state before being brought to Maine, if the purchaser was a resident of the other state at the time of purchase. The use tax does not apply to purchases on which Maine sales tax has been paid, and credit is allowed for sales or use tax paid in another jurisdiction up to the amount of the Maine tax.

Revenue Notes - Sales and Use Taxes - Table OPF-1, Table GF-1 & Table OSR-1

Sales and Use Tax collections accrue to the General Fund. At the end of each month 5.1% of this revenue is reserved and transferred to the Local Government Fund for municipal revenue sharing (See page 25 for more detail on these transfers). **Table OPF-1** includes all Sales and Use Tax including the Gross Receipts Tax. **Table GF-1** separates the Gross Receipts Tax from the Sales and Use Taxes. The amounts in **Table OSR-1** represent the revenue transferred to the Local Government Fund. It does not include Gross Receipts Tax revenue which was not subject to the transfers for municipal revenue sharing. Sales and Use Tax revenue began year-end accruals of revenue in fiscal year 1998. The accrual for fiscal year 1998 was \$47,100,000.

History - Sales and Use Taxes

Originally enacted effective July 1, 1951 at 2%. Amended July 1, 1957 increasing to 3%. Amended September 1, 1959 to include rentals of living quarters. Amended July 1, 1963 increasing to 4%. Amended July 1, 1965 to include telephone and telegraph service. Amended November 1, 1967 increasing to 4 1/2%. Amended June 1, 1969 increasing to 5%. Amended October 24, 1977 to include short-term rentals of automobiles. Amended December 15, 1984 to include extended cable television service. Amended July 16, 1986 to include fabrication services and custom computer programming and increasing to 7% on rentals of living quarters and short-term rentals of automobiles. Amended August 1, 1989 to include rentals of video tapes and equipment and increasing the rate to 10% on liquor sold by the drink effective December 1, 1989. Amended August 1, 1991 increasing the basic rate to 6% and imposing a 7% tax on meals purchased at facilities licensed for the on-premise consumption of alcoholic beverages, and decreasing the rate to 7% on liquor served by the drink. Amended September 1, 1991 to include snack foods. Amended August 1, 1994 to increase the rate to 10% on the short-term rental of automobiles. Amended many times since enactment to add or repeal exemptions. The 6% tax rate was reduced to 5½% on October 1, 1998 pursuant to the operation of 36 M.R.S.A. §1811.

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

Transfers are made each month from the General Fund to the Local Government Fund to set aside revenue to be distributed to municipalities to lessen the burdens on local property taxes. Amounts equal to 5.1% of the taxes collected and credited to the General Fund under Title 36, Parts 3 and 8, the individual income tax, the corporate income tax, the franchise tax on financial institutions and the sales and use taxes are reserved at the end of each month and then transferred to the Local Government Fund on the first day of the next month. The amounts in the Local Government Fund are distributed to municipalities on the 20th day of each month based on a formula factoring in property tax burden and population.

Revenue Notes - Transfers to Municipal Revenue Sharing - Table OPF-1, Table GF-1 & Table OSR-1

Table GF-1 details the revenue amounts reserved and netted out of General Fund revenue from individual income tax, corporate income tax, franchise tax on financial institutions and sales and use taxes. **Table OSR-1** shows the amounts transferred to the Local Government Fund. The amounts in these table are not equal due to the one-month lag between the reserving of the revenue in the General Fund and the recognition of the revenue in the Local Government Fund. The difference in any fiscal year is equal to the amount of revenue reserved in June from the "revenue sharing" taxes of that fiscal year compared to the amounts reserved from those same taxes in June of the prior fiscal year. **Table OPF-1** represents the "net effect" of the one-month lag. Effective in fiscal year 1997-98, the State Controller changed the financial reporting associated with the transfers to municipal revenue sharing. The Controller's Office will show the gross amounts collected from the individual income tax, corporate income tax, franchise tax on financial institutions and sales and use taxes and no longer will net out the amounts reserved from the Local Government Fund when reporting on these tax collections. Instead, a separate line has been created to show the amounts reserved for "Transfer to Municipal Revenue Sharing."

History - Transfers to 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 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, 1994 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.

GROSS RECEIPTS TAX - 36 M.R.S.A. c. 370 (Repealed)

The Gross Receipts Tax was imposed from 1993 through 1996 on all licensed nursing home operations in the State at a rate of 7% of the gross receipts of charges made for nursing facility care. Sales of prepared food by establishments licensed for the on-premise consumption of alcoholic beverages were also subject to the gross receipts tax in lieu of the 7% sales tax imposed on such sales previously when the Gross Receipt Tax was not in effect.

GROSS RECEIPTS TAX - continued

Revenue Notes - Gross Receipts Tax - Table GF-1 and Table OPF-1

Gross Receipts Tax collections accrued to the General Fund prior to its repeal on January 1, 1997. Unlike the Sales and Use Taxes, the collections are not subject to the transfers to municipal revenue sharing. Taxes on the sale of prepared food by establishments licensed for the on-premise consumption of alcoholic beverages reverted to a sales tax effective January 1, 1997 and became subject to the transfers to municipal revenue sharing. **Table GF-1** shows the amounts collected from the Gross Receipts Tax. In **Table OPF-1**, the revenue from the Gross Receipts Tax is included under Sales and Use Taxes.

History - Gross Receipts Tax

Adopted 1993. The tax was originally enacted by PL 1993, c. 410, Part YY. It was amended by PL 1993, c. 711 to repeal a refundable nursing home care tax credit and establish the Catastrophic Health Expense Program that allowed individuals or trusts acting on behalf of individuals a nonrefundable tax credit equal to 2.7% of the Federal income tax deduction for medical expenses. The Gross Receipts Tax and the Catastrophic Health Expense Program were repealed effective January 1, 1997, pursuant to PL 1995, c. 665, Part E. The sale of prepared food by establishments licensed for the on-premise consumption of alcoholic beverages reverted to a sales tax on the same date the Gross Receipts Tax was repealed.

ESTATE TAX - 36 M.R.S.A. cc. 551 - 575

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. The tax is equal to the amount by which the credit allowed against the federal estate tax for state death taxes exceeds the amount of such taxes actually paid, provided that the allowance for such taxes may not exceed that percentage of the federal tax credit which the Maine taxable portion of the estate is to the total estate. A similar tax is imposed on real and tangible personal property having Maine situs 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.

Revenue Notes - Estate Tax - Table OPF-1, Table GF-1 & Table OSR-1

Estate Tax collections accrue to the General Fund with the exception of a one-time transfer of \$6,200,000 of Estate Tax revenue to a dedicated account in fiscal year 1997-98. **Table OPF-1** shows the total amounts of Estate Tax collections, **Table GF-1** shows the estate tax collections accruing to the General Fund and **Table OSR-1** shows the one-time transfer to a dedicated revenue account.

History - Estate Tax

Adopted 1927. The current Maine estate tax was enacted in 1981 to replace 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.

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 this State for retail sale. The rate of the tax doubled during the second quarter of fiscal year 1997-98. Beginning November 1, 1997, the rate of the tax increased from 18.5 mills per cigarette to 37 mills per cigarette, or from 37¢ per package of 20 cigarettes to 74¢ per package and all of the revenue generated became dedicated to the Tobacco Tax Relief Fund (22 M.R.S.A. §1546). Revenue transfers out of the Other Special Revenue Tobacco Tax Relief Fund were required to maintain the budgeted amount of General Fund Cigarette Tax revenue in fiscal years 1998 and 1999 and to support allocations made to the Tobacco Prevention and Control program within the Department of Human Services. Effective December 31, 1998, the Tobacco Tax Relief Fund is abolished and all revenue generated by this tax will accrue to the General Fund.

Revenue Notes - Cigarette Tax - Table OPF-1, Table GF-1 & Table OSR-1

Revenue from the Cigarette Tax, as noted above, accrues to the General Fund and Other Special Revenue Funds. **Tables GF-1 & OSR-1** provide detail on the revenue generated by the Cigarette Tax.

History - Cigarette Tax

Adopted 1941. The original cigarette tax was enacted effective June 1, 1941 at 1 mill or 2¢ per package of 20 cigarettes. 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. PL 1947, c. 377 increased the tax to 2 mills per cigarette or 4¢ per package of 20 effective July 1, 1947. PL 1955, c. 359 increased the tax to 2 1/2 mills per cigarette or 5¢ per package of 20 effective July 1, 1955. PL 1961, c. 372 increased the tax to 3 mills per cigarette or 6¢ per package of 20 effective July 1, 1961. PL 1965, c. 343 increased the tax to 4 mills per cigarette or 8¢ per package of 20 effective July 1, 1965. P&S 1967, c. 154 increased the tax to 4 1/2 mills per cigarette or 9¢ per package of 20 effective July 1, 1967. P&S 1967, c. 191 increased tax to 5 mills per cigarette or 10¢ per package of 20 effective November 1, 1967. PL 1969, c. 295 increased the tax to 6 mills per cigarette or 12¢ per package of 20 effective June 1, 1969. P&S 1971, c. 117 increased to 7 mills per cigarette or 14¢ per package of 20 effective July 1, 1971. PL 1973, c. 768 increased the tax to 8 mills per cigarette or 16¢ per package of 20 effective July 1, 1974. PL 1983, c. 477 increased the tax to 10 mills per cigarette or 20¢ per package of 20 effective September 23, 1983. PL 1983, c. 859 increased the tax to 14 mills per cigarette or 28¢ per package of 20 effective December 15, 1984. PL 1989, c. 588 increased the tax to 15.5 mills per cigarette or 31¢ per package of 20 beginning October 1, 1989; to 16.5 mills per cigarette or 33¢ per package of 20 beginning January 1, 1991; and to 18.5 mills per cigarette or 37¢ per package of 20 beginning July 1, 1991. 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 Human Services and transfers to the General Fund in amounts equal to the budgeted amount of Cigarette Tax revenue in fiscal years 1998 and 1999. General Fund transfers were also required beginning in fiscal year 2000 to maintain the level of cigarette tax revenue in the previous fiscal year less 3%. Part D of that Act authorized annual allocations of \$3,500,000 in fiscal years 1998 and 1999 from the fund to the Tobacco Prevention and Control program. PL 1997, c. 643, Part T effective June 30, 1999, undedicated the revenue generated by the cigarette tax, repealed the Tobacco Tax Relief Fund and required that any unencumbered balance in the Tobacco Tax Relief Fund at the end of fiscal year 1999 lapse to the General Fund. PL 1997, c. 750 changed the date of the repeal of the Tobacco Tax Relief Fund to December 31, 1998.

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 the state. The tax rate for smokeless tobacco, including chewing tobacco and snuff, is 62% of the wholesale sales price. The tax rate for other tobacco, including cigars, pipe tobacco and other tobacco intended for smoking, is 16% of the wholesale sales price.

Revenue Notes - Tobacco Products Tax - Table OPF-1 & Table GF-1

Revenue from the Tobacco Products Tax accrues to the General Fund (see **Table GF-1**). In **Table OPF-1**, the amounts from the Tobacco Products Tax are included with revenue from the Cigarette Tax.

History - Tobacco Products Tax

A similar tax at the rate of 20% of the retail sale 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 sales price. The rate was increased October 1, 1989 to raise the rate to 50% and again on January 1, 1991 to raise the rate to 55%. The current rate of 62% has been in effect since July 1, 1991. The tax on other tobacco products was first imposed July 16, 1986 at a rate of 12% of the wholesale sales price. The rate was increased October 1, 1989 to raise the rate to 13% and again on January 1, 1991 to raise the rate to 14%. The current rate of 16% has been in effect since July 1, 1991.

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

The Bureau of Revenue Services and the Department of Human Services collect license fee revenue associated with the wholesale and retail sale, respectively, of cigarettes and tobacco products.

Each distributor of cigarettes and tobacco products doing business in Maine must secure a distributor's license from the Bureau of Revenue Services. A \$250 fee must accompany the application for distributors of cigarettes and a \$25 fee must accompany the application for distributors of tobacco products. The \$25 fee for tobacco products is waived if the distributor is licensed for the distribution of cigarettes. Distributors' licenses expire one year from the 31st of July next succeeding the date of issuance and may be renewed by applying for renewal for a period of 2 years. The renewal fees are the same as the original fees.

The Department of Human Services, Bureau of Health licenses the retail sale of cigarettes and tobacco products. The fee for a one-time retail tobacco license is set by the department at the actual cost of processing the application and issuing the license, up to but not exceeding \$25. A licensee is required to have a separate license for each premises and each vending machine. The fee for a one-time retail tobacco license or a tobacco manufacturers sampling license is \$25. The fee for a vending machine is \$5. Retailers' licenses are valid indefinitely unless suspended or revoked.

Revenue Notes - Cigarette & Tobacco Products License Fees - Table OPF-1, Table GF-1 & Table OSR-1

Revenue collected by the Bureau of Revenue Services for the wholesale distribution of cigarettes and tobacco products accrues to the General Fund (see **Table GF-1** for the amounts collected from these wholesale license fees). Fees for retail licenses collected by the Department of Human Services, Bureau of Health accrue as dedicated revenue to the Bureau of Health (see **Table OSR-1** for these amounts).

CIGARETTE & TOBACCO PRODUCTS LICENSE FEES - continued

History - Cigarette & Tobacco Products License Fees

Adopted 1941. Amended by PL 1985, c. 783 effective June 1, 1986 which added the tobacco products distributors license. PL 1995, c. 470 effective September 29, 1995 established the retail license for cigarette and tobacco products within the Department of Human Services, Bureau of Health and set the fee at up to \$25.

LIQUOR TAXES - 28-A M.R.S.A.

State Liquor Tax (28-A M.R.S.A. §1651, Sub-§1). The selling price of all spirits and fortified wine is set to produce a state liquor tax of not less than 65% based on the delivered case cost F.O.B. liquor warehouse. In addition to this tax, a premium is imposed at the rate of \$1.25 per proof gallon (See 28-A M.R.S.A. §1703, Sub-§3). PL 1997, c. 24 changed the method of taxing spirits and wine by requiring that, beginning in fiscal year 1998-99, list prices be established that would increase General Fund revenues by an additional \$3,000,000. Pursuant to Title 28-A §85, sub-§1, the net profits from operations are general revenue of the State and are transferred on a monthly basis to General Fund undedicated revenue.

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 25¢ per gallon on all malt liquor sold in the State. In addition to this tax, a premium is imposed at the rate of 10¢ per gallon (See 28-A M.R.S.A. §1703, Sub-§3).

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 the State. The Maine manufacturer or importing wholesale licensee must pay an excise tax of 30¢ per gallon on all wine other than sparkling wine manufactured in or imported into the state and \$1 per gallon on all sparkling wine manufactured in or imported into the State. In addition to this tax, a premium is imposed at the rate of 30¢ per gallon on all wine other than sparkling wine and 24¢ per gallon on all sparkling wine (See 28-A M.R.S.A. §1703, Sub-§3).

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 per gallon on all low-alcohol spirits products and fortified wines manufactured in or imported into the State. An additional tax of 30¢ per gallon is imposed on low-alcohol spirits products sold to wholesale licensees in this State by certificate of approval holders who manufacture low-alcohol spirits products. In addition to this tax, a premium is imposed at the rate of 24¢ per gallon (See 28-A M.R.S.A. §1703, Sub-§3).

Revenue Notes - Liquor Taxes - Table OPF-1 & Table GF-1

Revenue from Liquor Taxes accrues to the General Fund. **Table OPF-1** includes the aggregate amount collected from Liquor Taxes and **Table GF-1** provides detail for each of the Liquor Excise Taxes and Premium Taxes.

LIQUOR TAXES - continued

History - Liquor Taxes

Adopted 1933-34. Sale of spirits and wine by the State originally authorized in 1934 with a tax markup determined by the State Liquor Commission. 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%. Amended in 1955 to increase markup to 65% and in 1967 to increase markup to 75% of the "less carload FOB warehouse price." Amended in 1969 to remove wine from state sale and markup and impose tax at same level in distribution process as for malt liquor. Amended in 1994 to change markup to 65% of delivered case price. Amended effective July 1, 1998 by PL 1997, c. 24 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 1998-99 estimates.

Tax on manufacture or importation of malt liquor 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. Tax on manufacture and importation of wine at distribution level enacted in 1969. Tax specific to fortified wine enacted on 1993 at rate of \$1 per gallon. Tax specific to low-alcohol spirits enacted in 1991 at rate of \$1 per gallon and product tax of 30¢ per gallon.

Alcohol premium enacted in 1981 on spirits at the rate of 62 1/2¢ 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. Premium for low-alcohol spirits added in 1991 and fortified wine added in 1993, both at rate of 24¢ per gallon.

LIQUOR LICENSE FEES - 28-A M.R.S.A.

In addition to the collection of beer and wine excise taxes, the Bureau of Liquor Enforcement within the Department of Public Safety collects a variety of license fees related to the selling and serving of alcoholic beverages. The Bureau regulates the operation of licensed premises and licenses approximately 4000 liquor establishments and 185 agency stores. **Table III-2** on page 31 provides a comprehensive list of all fees collected by the Bureau of Liquor Enforcement. In addition to the fees listed below, the bureau charges a \$10 filing fee for all applications.

Revenue Notes - Liquor License Fees - Table OPF-1 and Table GF-1

Revenue from the Liquor License Fees accrues to the General Fund (see **Tables OPF-1 & GF-1**).

History - Liquor License Fees

Liquor license fees have not been amended since 1993.

Table III-2 - Liquor License Fee Schedule

License Class	Description	Amount
Retail Sales		
Class I	Spirituous, Vinous & Malt - Airlines; Civic Auditoriums; Class A Restaurants; Clubs with Catering Privileges; Dining Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Racquet Clubs; Clubs; Class A Restaurants/Lounges; Vessels and Bowling Centers	\$900
Class I-A	Spirituous, Vinous & Malt - Hotels - Optional Food	\$1,000
Class II	Spirituous Only - Airlines; Clubs; Civic Auditoriums; Clubs with Catering Privileges; Dining Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Racquet Clubs; Restaurants; Class A Restaurants/Lounges; Bowling Centers and Vessels	
Class III	Vinous Only - Airlines; Civic Auditoriums; Class A Restaurants; Clubs with Catering Privileges; Dining Cars; Golf Clubs; Indoor Ice Skating Clubs; Indoor Racquet Clubs; Restaurants; Bowling Centers and Vessels	\$220
Class IV	Malt Only - Airlines; Civic Auditoriums; Class A Restaurants; Clubs with Catering Privileges; Dining Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Racquet Clubs; Restaurants; Taverns; Bowling Centers and Vessels	\$220
Class V	Spirituous; Vinous & Malt - Clubs without Catering Privileges and Bed & Breakfasts	\$495
Class VI	Off-premise Retailers - Malt Liquor	\$200
Class VII	Off-premise Retailers - Table Wine	\$200
Class X	Spirituous, Vinous & Malt - Class A Lounges	\$2,200
Class XI	Spirituous, Vinous & Malt - Class A Restaurants/Lounges	\$1,500
	Agency Liquor Stores - (Initial License)	*Competitive Bid Process
	- (Renewal)	\$300
	Incorporated Civic Organizations	\$50
	Special Catering Permits	\$10
	Auxiliary Licenses	\$100
	Bottle Club Registrations	\$50
	B.Y.O.B. Functions	\$10
Wholesale Licenses		
Class XI	Certificates of Approval - Spirituous (Storage only)	\$600
	Certificates of Approval - Malt	\$600
	Certificates of Approval - Wine	\$600
	Wholesale - Malt	\$600
	Wholesale Storage - Malt - monthly	\$50
	Wholesale - Wine	\$600
	Wholesale Storage - Wine - monthly	\$50
	Small Maine Brewers	\$50
	Distillers & Brewers	\$1,000
	Maine Farm Wineries	\$50
	Rectifiers & Bottlers	\$1,000

* Note: Requires a minimum bid of \$2000

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

Every insurance company or association organized under the laws of this State 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 allowed deductions. The tax on qualified group disability plans is 2.55% for large companies and 1% for small companies. Every non-resident insurance company authorized to do business in this state is liable for a tax on all policies written in Maine at the Maine rate or the rate at which a Maine company would be taxed in the state or Canadian province where the non-resident company is domiciled, whichever is greater.

Revenue Notes - Insurance Premium Tax - Table OPF-1 and Table GF-1

Revenue from the Insurance Premium Tax accrues to the General Fund.

History - Insurance Premium Tax

Adopted in 1874. Rate on domestic companies 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 insurer are subject to a tax of 2.55%. PL 1997, c. 435 established reduced rates for non-Maine captive insurance companies.

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 Technical College System.

Revenue Notes - Fire Investigation and Prevention Tax - Table OPF-1 & Table OSR-1

Revenue from this tax accrues as dedicated revenue to the Office of the State Fire Marshall within the Department of Public Safety which transfers funds to the Maine Technical College System. **Table OPF-1 & Table OSR-1** include the amounts generated by this tax.

History - Fire Investigation and Prevention Tax

Adopted and first imposed February 17, 1939 at .5 of 1%. Increased October 3, 1973 to .6 of 1%. Increased October 24, 1977 to .75 of 1%. Increased March 10, 1983 to .95 of 1%. Increased July 17, 1991 to 1.4%.

INSURANCE REGULATORY ASSESSMENTS - 24-A M.R.S.A. §237 & 24 M.R.S.A. §2332

Every insurance company or health maintenance organization licensed to do business in this State is assessed annually by the Bureau of Insurance. The assessment, not to exceed .002 of direct premiums written for any biennial period, is in proportion to the direct gross premium written on business in this State 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 plans licensed to do business in the state is also assessed by the Bureau of Insurance. These annual assessments are based on subscription incomes and are not to exceed .00015 of subscription income for any biennial period. The proceeds from each assessment process are used to support the costs of the Bureau of Insurance.

INSURANCE REGULATORY ASSESSMENTS - continued

Revenue Notes - Insurance Regulatory Assessments - Table OPF-1 & Table OSR-1

Proceeds from this assessment accrue as dedicated revenue to the Bureau of Insurance and are detailed in Tables OPF-1 & OSR-1.

History - Insurance Regulatory Assessments

Adopted in 1985. PL 1993, c. 313 increased the assessment amount for insurance companies from .0015 to .002. 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 the State of Maine and that 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 times the filed manual rate times the employer's current experience modification factor, if applicable. The only deductible credits that may be included in the calculation are for the \$1,000 and \$5,000 indemnity deductible and the \$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 by May 1st of each year. The assessment is collected from employers by certain insurance companies beginning on July 1st of each year. 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, 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 by September 15th for the previous fiscal year. Insurance companies with an annual assessment estimate of less than \$50,000 are required to pay the entire assessment by June 1st of each year. Self-insured employers must pay the assessment on or before June 1st.

The assessments determined 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 is available. By law, the assessments may not be designed to produce more than \$6,600,000 in assessments for any one fiscal year.

Assessments collected that exceed \$6,600,000 by a margin of more than 10% must be refunded to those who paid the assessment. Any amount collected above the board's allocated budget and within the 10% margin must be used to create a reserve of up to 1/4 of the board's annual budget. Any collected amounts or savings above the allowed reserve must be used to reduce the assessment for the following fiscal year.

Revenue Notes - Workers' Compensation Insurance Assessments - Table OPF-1 & Table OSR-1

Revenue from these workers' compensation insurance assessments accrues as dedicated revenue and is included in Tables OPF-1 & OSR-1.

WORKERS' COMPENSATION INSURANCE ASSESSMENTS - continued

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 revenues to the General Fund on July 17, 1991, PL 1991, c. 591. Amended effective January 1, 1993 to dedicate annual assessments with 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 change assessment limit to \$6,600,000 effective September 19, 1997 to fund the Worker Advocate program pursuant to PL 1997, c. 486.

EMPLOYMENT REHABILITATION FUND ASSESSMENT - 39-A M.R.S.A. §356

Each insurance company or entity that is authorized to write workers' compensation policies in the State of Maine is subject to an assessment by the Workers' Compensation Board when the amount of money in the Employment Rehabilitation Fund is less than \$500,000. Assessments are based on the actual paid losses of each insurance company in the previous calendar year.

Revenue Notes - Employment Rehabilitation Fund Assessment

Revenue from this assessment is recorded as Miscellaneous Income and is included under Service Charges for Current Services. A portion of this revenue from penalties is recorded as Miscellaneous Fines and appears as part of Fines, Forfeits and Penalties.

History - Employment Rehabilitation Fund Assessment

Adopted in 1985. Repealed by PL 1991, c. 825 effective April 6, 1992. Reenacted by PL 1991, c. 885 effective January 1, 1993.

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

An annual levy based on annual workers' compensation paid losses is assessed on each insurance carrier licensed to do workers' compensation business in the state and on individual self-insured employers authorized to make workers' compensation payments directly to their employees. The assessment is collected as dedicated revenue by the Department of Labor and deposited into the department's Safety Education and Training Fund to be used for safety education and training programming administered by the department.

Revenue Notes - Safety Education and Training Assessment - Table OPF-1 & Table OSR-1

Revenue collected from this assessment accrues as dedicated revenue (see Tables OPF-1 & OSR-1).

History - Safety Education and Training Assessment

Adopted in 1985 by PL 1985, c. 372. Amended numerous times since that date.

INSURANCE LICENSE AND OTHER INSURANCE FEES - 24-A M.R.S.A. §601

The Bureau of Insurance is authorized to assess a number of other license, application, filing and other miscellaneous fees related to its regulation of the insurance industry. The current fee schedule is available from the Office of Fiscal & Program Review or from the Department of Professional and Financial Regulation website. (www.state.me.us/pfr/ins/feesched.htm)

INSURANCE LICENSE AND OTHER INSURANCE FEES - continued

Revenue Notes - Insurance License & Other Insurance Fees - Table OPF-1 & Table OSR-1

Revenue collected from these fees accrues as dedicated revenue to the Bureau of Insurance and is included in Tables OPF-1 & OSR-1.

History - Insurance License & Other Insurance Fees

Adopted in 1985 by PL 1985, c. 372. Amended numerous times since that date.

BANKING INDUSTRY FEES AND ASSESSMENTS - 9-A & 9-B M.R.S.A. & 32 M.R.S.A., c. 105

Consumer Credit Code Fees - 9-A M.R.S.A. §6-203 Every creditor, collection agency, credit services organization and credit reporting agency authorized under the provisions of the Maine Consumer Credit Code is required, depending on the type of creditor or organization, to pay certain application, examination and volume fees. The funds received from these various fees are used to support the operating costs of the Office of Consumer Credit Regulation and the Bureau of Banking, both are a part of the Department of Professional and Financial Regulation. See the Office of Consumer Credit Regulation's website (www.state.me.us/prf/ccp/lic_reg.htm) for additional information about licenses and fees.

Banking License Fees And Assessments - 9-B M.R.S.A. §214 Every state chartered financial institution regulated by the Bureau of Banking is subject to examination by the bureau at least once in a 36 month period. The regulated financial institution is assessed by the bureau for the cost of the examination. In addition, each state chartered financial institution is subject to a semiannual assessment at the annual rate of at least 7¢ for each \$1,000 of the total of average assets; the semiannual 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. 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 6¢ for every \$10,000 in fiduciary assets.

Securities Act Fees - 32 M.R.S.A. c. 105 (§10306 & §10405) The Maine Securities Division within the Department of Professional and Financial Regulation oversees the registration of securities and the licensing of broker-dealers, sales representatives and investment advisers. The \$40 annual renewal fee for sales representatives accrues as dedicated revenue to fund the operations of the Maine Securities Division. The remainder of the fees collected by the Division, sales representatives initial license fees, broker-dealer fees, investment adviser fees and securities registration fees accrue to the General Fund.

Revenue Notes - Banking Industry Fees & Assessments - Table OPF-1, Table GF-1 & Table OSR-1

The portion of the revenue generated by the Securities Division, with the exception of the fees for renewal of securities sales representatives, are included in Table OPF-1. Table OSR-1 includes all other fees and assessments on the Banking Industry, except the Franchise Tax on Financial Institutions which is included in the Corporate Income Tax.

History - Banking Industry Fees & Assessments

The assessment on the banks 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. Amended numerous times. Fees pertaining to the Maine Consumer Credit Code were first authorized by PL 1973, c. 762. Since that time, the statutory established fees have been increased a number of times.

CORPORATE FILING FEES - 13 M.R.S.A. & 13-A M.R.S.A.

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

- filing for reserving or registering a name or mark;
- filing articles of incorporation;
- filing for corporate mergers, consolidations or dissolutions;
- filing for doing business under an assumed name; and
- filing for other changes in corporate or partnership status.

Fees collected by the Department of the Secretary of State range from \$2.00 a copy for any corporate document on file to \$250.00 associated with forming a limited liability company. Stock fees can range from \$30.00 to form a business corporation to as much as \$64,870 recently expended by a company due to a stock change based on the amount of stock reissued. 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 (www.state.me.us/sos/cec/corp/formfees.htm).

Revenue Notes - Corporate Filing Fees - Table OPF-1 & Table GF-1

Revenue generated from Corporate Filing Fees accrues to the General Fund. See **Tables OPF-1** or **GF-1** for the amount of revenue generated by these fees.

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

The organization of the Department of Professional and Financial Regulation includes responsibility for the registration of 5 different professions, 36 professional licensing boards which are internal to the department and 6 professional licensing boards which are 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 within the department, is on file at the Office of Fiscal and Program Review.

Revenue Notes - Professional and Occupational Licensing Fees - Table OPF-1 & Table OSR-1

The revenue amounts shown in **Tables OPF-1** & **OSR-1** include revenue from a number of occupational and professional license fees, not otherwise classified within this report including revenue collected by other departments and agencies other than the Department of Professional and Financial Regulation.

HOSPITAL ASSESSMENT - 36 M.R.S.A. §2801-A

A tax is imposed on all hospitals at a rate of 5.27% of each facility's gross patient service revenue limit as established by the Department of Human Services. This Other Special Revenue generated by the assessment accrues to the Department of Human Services' Medical Care - Payments to Providers program and is dedicated to support Medicaid costs.

Revenue Notes - Hospital Assessment - Table OPF-1 & Table OSR-1

As noted above this revenue is dedicated to support Medicaid costs. (See **Tables OPF-1** or **OSR-1**.)

HOSPITAL ASSESSMENT - continued

History - Hospital Assessment

Adopted in 1991. The 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 1991-92 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 1997-98 to reduce the rate from 6% to 3.56%. PL 1997, c. 24, Part T also amended the assessment for hospital payment years that end in fiscal year 1997-98 to increase the rate from 3.56% to 5.27%, but due to the effective date of that legislation, the rate of 3.56% was never in effect. PL 1995, c. 665, Part L amended the assessment to include state hospitals. The hospital assessment was repealed June 30, 1998 pursuant to PL 1995, c. 368, Part RR.

HOSPITAL LICENSE FEES - 22 M.R.S.A. §1815

Each application for a license to operate a hospital, convalescent home or nursing home must be accompanied by a nonrefundable fee of \$10 for each bed contained within the facility. Each application for a license to operate an ambulatory surgical facility must be accompanied by the fee up to \$500 established by the Department of 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.

Revenue Notes - Hospital License Fees - Table OPF-1 & Table OSR-1

The revenue amounts shown in **Tables OPF-1 & OSR-1** show the revenue collected from Hospital License Fees. Although the statutes indicate that the revenue accrues to the General Fund, these fees have been recorded as dedicated revenue through fiscal year 1998.

History - Hospital License Fees

Adopted in 1945. Amended in 1991 by PL 1991, c. 752 to increase the cap on the fee for ambulatory surgical facility from \$250 to \$500 effective June 30, 1992.

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 varying from 3.25% to 5.25%, depending on the relation of net railway operating income to gross transportation receipts. When net operating income does not represent at least 5.75% of operating investment, the tax shall be decreased to an amount not less than 1/2 of 1% of gross transportation receipts. Railroad tax revenues accrue to the General Fund, except that \$150,000 annually is transferred to the Railroad Preservation and Assistance Fund within the Department of Transportation.

Revenue Notes - Railroad Company Tax - Table OPF-1, Table GF-1 & Table OSR-1

The revenue amounts shown in **Tables GF-1 & OSR-1** show the revenue collected from the Railroad Company Tax accruing to the General Fund and as dedicated revenue to the Department of Transportation, respectively. **Table OPF-1** shows the gross collections under this tax.

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%.

TELECOMMUNICATIONS PERSONAL PROPERTY TAX - 36 M.R.S.A. §§457 & 458

A state tax is imposed on telecommunications personal property at the rate of 27 mills in each taxable year. This property continues to be exempt from ordinary local property taxation. This tax is assessed on May 15th of each year. It is payable on June 1st of the next fiscal year along with a prepayment of 1/2 of the subsequent year's tax and adjustments to reflect the prepayment of the tax.

Revenue Notes - Telecommunications Personal Property Tax - Table OPF-1 & Table GF-1

Revenue from this tax accrues to the General Fund (see **Tables OPF-1 & GF-1**). That portion of the revenue from these tax collections not associated with the prepayment levied at the end of the fiscal year. The revenue is recognized as revenue in the year in which the taxes are 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.

History - Telecommunications Personal Property Tax

Adopted in 1987. 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 1/2 of the subsequent year's tax by June 1st.

PUBLIC UTILITIES ASSESSMENTS - 35-A M.R.S.A. §116 & 26 M.R.S.A. §1419-A

Public Utilities Commission Assessment. To provide funding for the costs of operating the Public Utilities Commission, each electric, telephone, gas and water utility and ferry subject to regulation by the Public Utilities Commission is subject to an annual assessment. This assessment is limited to .35% of the intrastate gross operating revenue of each regulated entity earning in excess of \$50,000. The assessment is currently limited to a maximum of \$4,918,000 in annual revenues.

Public Advocate Assessment. Every utility subject to regulation by the Public Utilities Commission and subject to the Public Utilities Commission Assessment is also subject to the Public Advocate Assessment. The dedicated revenue generated by this assessment is dedicated to support the costs of the Public Advocate and may not exceed the amount Legislatively allocated for that purpose.

Specialized Telecommunications Equipment Assessment. An annual assessment for specialized telecommunications equipment is levied on each interchange carrier, local exchanges carrier reseller and mobile telecommunications carrier that provides telecommunications service in the State. The actual assessment amounts are levied by the Public Utilities Commission in a manner which is proportional to the revenues collected by each entity from customers in the State. The initial annual amount to be collected in fiscal year 1999 is established at \$85,000. The funds are to be deposited into the Telecommunications Equipment Fund, which is administered by the Department of Labor, to purchase specialized telecommunications equipment for deaf, hard-of-hearing or speech-impaired persons and persons with disabilities.

Revenue Notes - Public Utilities Assessments - Table OPF-1 & Table OSR-1

The dedicated revenue generated by this assessment is included in **Tables OPF-1 & OSR-1**. The large fluctuations in the amounts collected over the five year period are due to a timing issue in the recognition of certain revenue beginning at the end of fiscal year 1995.

PUBLIC UTILITIES ASSESSMENTS - Continued

History - Public Utilities Assessments

Adopted in 1979. Original assessment 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 by PL 1981, c. 469 to increase maximum annual revenue to \$600,000. Amended by PL 1981, c. 599 to increase the assessment to .25% of intrastate gross operating revenues and to increase maximum annual revenue to \$1,160,000 beginning in fiscal year 1984. Amended by PL 1983, c. 821 to increase maximum annual revenue to \$1,294,000 beginning in fiscal year 1985. Amended by PL 1985, c. 125 to increase maximum annual revenue to \$1,894,000 beginning in fiscal year 1987. Amended by PL 1985, c. 618 to increase maximum annual revenue to \$2,079,000 beginning in fiscal year 1985-86. Amended by PL 1987, c. 37 to increase maximum annual revenues to \$2,219,000 beginning in fiscal year 1988 and to \$2,309,000 beginning in fiscal year 1989. Amended by PL 1989, c. 57 to increase maximum annual revenues to \$2,696,000 beginning in fiscal year 1990 and to \$2,910,000 beginning in fiscal year 1991. Amended by PL 1991, c. 9 to increase the assessment to .35% of intrastate gross operating revenues and to increase maximum annual revenue to \$3,378,000 beginning in fiscal year 1991. Amended by PL 1991, c. 343 to increase maximum annual revenues to \$4,473,000 beginning in fiscal year 1992 and to \$4,918,000 beginning in fiscal year 1993.

The assessment for the Office of the Public Advocate was adopted in 1989 by PL 1989, c. 571, Part A and was limited to no more than \$189,000 in fiscal year 1989-90 with a repeal date of June 30, 1990. PL 1989 c. 875, Part E repealed those provisions and established the assessment to produce \$383,000 in revenue in fiscal year 1991 and in fiscal year 1992 and thereafter to produce an amount equal to 80% of the funds appropriated to the Public Advocate by the Legislature for the preceding year. Revenue generated under this provision accrued to the General Fund with a repeal date of June 30, 1992. PL 1991 c. 591, Part CC established the assessment during fiscal years 1992 and 1993 at \$511,203 and \$548,771, respectively, and stipulated that all unexpended funds in excess of 7% of the total assessment must be presented to the Legislature for reallocation or be used to reduce the utility assessment during the following year. It also removed the June 30, 1992 repeal date, redirected the revenue generated from the General Fund to an Other Special Revenue fund dedicated to the Public Advocate and subjected future assessments to Legislative approval. PL 1993 c. 174 established the assessment at \$557,307 and \$571,615 in fiscal years 1994 and 1995, respectively. PL 1993, c. 631 increased the cap on the discretionary use of any unexpended funds from 7% to 10%, retroactive to June 30, 1994. PL 1995, c. 368 established the assessment at \$617,680 and \$625,781 in fiscal years 1996 and 1997, respectively. PL 1995, c. 665 increased the fiscal year 1997 assessment to \$645,860. 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.

Specialized Telecommunications Equipment Assessment was first established by PL 1997, c. 751 §A-5.

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

A tax is imposed on each deed that transfers title to real property in the state at the rate of \$2.20 for each \$500 or fractional part of the value of the property transferred. There are certain exemptions. Of the total tax, 1/2 is imposed on the grantor and 1/2 is imposed on the grantee. 90% of the actual 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 by the county to the state, 75% of the revenue is credited to the General Fund and the remaining 25% is credited to the Maine State Housing Authority's Housing Opportunities for Maine (H.O.M.E.) Fund, an Other Special Revenue program established by 30-A M.R.S.A. §4853.

REAL ESTATE TRANSFER TAX - continued

Revenue Notes - Real Estate Transfer Tax - Table OPF-1, Table GF-1 and Table OSR-1

As noted above, the Real Estate Transfer Tax accrues to the General Fund and to the H.O.M.E. Fund. **Table GF-1** details the amounts accruing to the General Fund and **Table OSR-1** shows the amounts accruing to the H.O.M.E. Fund. **Table OPF-1** shows the total state collections from this tax; it does not include the amounts collected and retained by the counties.

History - Real Estate Transfer Tax

Adopted in 1967, effective in 1968. Originally enacted as 36 M.R.S.A. c. 712 which was repealed and replaced by c. 711-A. The Real Estate Transfer Tax was originally established by P&S 1967, c. 154. 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. 90% 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. 85% 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 the tax from 55¢ to \$1.10 per \$500 and to change the distribution of total revenues to 90% state and 10% 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 evenly between the General Fund and the H.O.M.E. fund. It was also amended by 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 to change the distribution of net revenue between the General Fund and the H.O.M.E. Fund. PL 1991, c. 591 required \$2,700,000 to be credited to the General Fund for fiscal year 1993. PL 1991, c. 622 repealed the c. 591 provision and required for the period November 1, 1991 through June 30, 1992 all net revenue be credited to the General Fund. It also required that during fiscal year 1993 \$1,500,000 be credited to the H.O.M.E. fund and the remaining revenue credited to the General Fund. PL 1993, c. 6 changed the provision concerning fiscal year 1993 such that all net revenue for the period July 1, 1992 through January 31, 1993 be credited to the General Fund except for \$875,000 which was to be credited to the H.O.M.E. fund and further required that for the period February 1, 1993 through June 30, 1993 all net revenue be credited to the General Fund. PL 1993, c. 410 amended the distribution for fiscal years 1994 and 1995 by limiting the revenue to the H.O.M.E. fund to \$2,000,000 each year with the remaining revenue credited to the General Fund. PL 1995, c. 368 amended the distribution of net revenue for fiscal years 1996 and 1997 to 75% General Fund and 25% H.O.M.E. fund. PL 1997, c. 24 amended the distribution of net revenue, without limitation to any specific fiscal year, to 75% General Fund and 25% H.O.M.E. fund. PL 1997, c. 759 changed the distribution of the State's share of revenue back to the 50% General Fund and 50% H.O.M.E. fund distribution effective July 1, 1999.

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. 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. The municipal cost component is the cost of funding services in the Unorganized Territory Tax District which 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.

UNORGANIZED TERRITORY TAXES - continued

Revenue from this tax is credited to the Unorganized Territory Educational and Services Fund which is used to reimburse State and County Governments for the cost of providing municipal services in the Unorganized Territory.

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.

Revenue Notes - Unorganized Territory Taxes - Table OPF-1, Table GF-1 and Table OSR-1

The amounts in **Table GF-1** under Unorganized Territory Taxes are the amounts transferred to the General Fund each year as reimbursement for the General Fund costs of the municipal cost component. The amounts in **Table OSR-1** are separated into 2 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 is the county taxes collected by the State and distributed to the counties. The "Other Unorganized Territory Taxes" are 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 in 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 the State. The tax funds 40% of the costs of the State's forest fire suppression activities.

Revenue Notes - Commercial Forestry Excise Tax - Table OPF-1 & Table GF-1

Revenue from the Commercial Forestry Excise Tax accrues to the General Fund (see **Tables OPF-1 or GF-1** for the amounts collected).

History - Commercial Forestry Excise Tax

Adopted in 1985 by PL 1985, c. 514, to replace the "Forest Fire Suppression Tax" (which, in turn, replaced the Forest District Tax formerly imposed in the Unorganized Territory and selected adjoining towns). For fiscal years 1992, 1993, 1994 and 1995, the tax raised 50% of the costs of forest fire suppression; for fiscal year 1996, 45% of the costs; and for fiscal years 1997 and thereafter, 40% of the costs.

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

There is established a Spruce Fir Forest Protection District consisting of land which 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 that calendar year.

SPRUCE BUDWORM MANAGEMENT TAX - continued

With the subsidence of the spruce budworm populations in the mid-1980's, no new acreage was submitted to the District. There has been no resubmission of acreage as the present five year enrollments reach maturity. There are presently no parcels enrolled in the District. Although there is no immediate need for this mechanism, the Act remains extant.

Revenue Notes - Spruce Budworm Management Tax

Revenue from the Spruce Budworm Management Tax accrues as dedicated revenue to the Department of Conservation. 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.

GASOLINE TAX - 36 M.R.S.A. c. 451

An excise tax is imposed at the rate of 19¢ per gallon upon internal combustion engine fuel sold or used within this State. 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 6% (5.5% effective 10/1/98) use tax if the gasoline tax is refunded. Full refund is provided for certain common carrier passenger service vehicles.

Revenue Notes - Gasoline Tax - Table OPF-1, Table GF-1, Tables HF-1, & Table OSR-1

Revenue collected from the Gasoline Tax accrues primarily to the Highway Fund (see **Table HF-1**). **Table GF-1** and **Table OSR-1** represent the .715% of Gasoline Tax revenue that accrues to the Department of Conservation and the Department of Inland Fisheries and Wildlife. **Table GF-1** represents the amounts collected by the Department of Inland Fisheries and Wildlife.

History - Gasoline Tax

Adopted in 1923. Imposed effective July 6, 1923 at 1 cent per gallon. Amended July 10, 1925 increasing to 3¢ and providing refunds less 1 cent per gallon to users for certain non-highway use. Increased July 15, 1927 to 4¢. Increased June 1, 1947 to 6¢. Increased in 1955 to 7¢. Increased in 1969 to 8¢. Increased in 1971 to 9¢. Increased in 1983 to 14¢. Increased May 1, 1988 to 16¢. Increased April 1, 1989 to 17¢. Increased to 19¢ effective July 17, 1991 and temporarily on July 8, 9, and 10, 1991.

Amended in 1965 to provide full refund to certain common passenger carriers and to provide 1/2 of 1% 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 Conservation 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 Conservation and 10% to Dept. of Inland Fisheries & Wildlife. Amended in 1995 to set aside an additional .17% for the Snowmobile Trail Fund and .045% is set aside for ATV Recreational Management Fund.

SPECIAL FUEL TAX - 36 M.R.S.A. c. 459

An excise tax is imposed at 20¢ per gallon on distillates (diesel fuel) and at 18¢ per gallon on low energy fuel (such as propane, methane and butane) 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 this State. 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 6% use tax if the fuel tax is refunded. Full refund is provided for certain common carrier passenger service vehicles.

Revenue Notes - Special Fuel Tax - Table OPF-1 & Tables HF-1

Revenue collected from the Special Fuel Tax accrues to the Highway Fund (see **Table HF-1**). The amounts in **Tables OPF-1 & HF-1** combine Special Fuel Tax collections with Road Use Taxes (see next section).

History - Special Fuel Tax

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.

ROAD USE TAXES - 36 M.R.S.A c. 463-A

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). IFTA is a compact among the states and Canadian provinces for the base state 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 base state transmits the appropriate data and tax payments monthly to all IFTA jurisdictions.

Revenue Notes - Road Use Taxes - Table OPF-1 & Tables HF-1

Revenue collected from the Road Use Tax accrues to the Highway Fund (see **Table HF-1**). The amounts in **Tables OPF-1 & HF-1** combine Special Fuel Tax (see previous section) collections with Road Use Taxes.

History - Road Use Taxes

PL 1947, c. 362 established a road use tax based on the amount of motor fuel used while operating within the State. PL 1983, c. 94 established a license system permitting the use of motor fuel by motor carriers. The road use tax for gasoline-powered vehicles was repealed effective January 1, 1988, pursuant to PL 1987, c. 472.

AERONAUTICAL GASOLINE TAX - 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 rate 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.

AERONAUTICAL GASOLINE TAX - continued

Revenue Notes - Aeronautical Gasoline Tax - Table OPF-1 & Table GF-1

Revenue collected from the Aeronautical Gasoline Tax accrues to the General Fund (see **Tables OPF-1 & GF-1**). The amounts in these tables combine revenue from the Aeronautical Gasoline Tax with the Aeronautical Jet Fuel Tax (see next section).

History - Aeronautical Gasoline Tax

Enacted effective July 2, 1931, pursuant to PL 1931, c. 239. This law required distributors to keep a record of sales of gasoline used for aeronautical purposes as well as to provide a refund mechanism of three quarters of the tax for those who requested a refund within 9 months from 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 1/3 of the tax if used for the purpose of operating an aircraft. PL 1955, c. 436 changed the rate of refund to 3/7 of the tax. PL 1969, c. 426 changed the rate of refund to 1/2 of the tax. PL 1971, c. 529 changed the rate of refund to 5/9 of the tax. PL 1983, c. 94 changed the rate to 4¢ per gallon.

AERONAUTICAL JET FUEL TAX - 36 M.R.S.A. §2903

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 sales and use tax. Jet fuel used in international flights is exempt from both the jet fuel tax and the sales and use tax.

Revenue Notes - Aeronautical Jet Fuel Tax - Table OPF-1 & Table GF-1

Revenue collected from the Aeronautical Jet Fuel Tax accrues to the General Fund (see **Tables OPF-1 & GF-1**). The amounts in these tables combine revenue from the Aeronautical Gasoline Tax (see previous section) with the Aeronautical Jet Fuel Tax.

History - Aeronautical Jet Fuel Tax

Enacted effective August 4, 1988 pursuant to PL 1987, c. 798. This law established a 3.4¢ a gallon excise tax on jet fuel used by turbine-powered aircraft providing commercial air service in the state. This excise tax replaced a 5% sales tax per gallon used previously by the State Tax Assessor.

MOTOR VEHICLE & OPERATOR'S LICENSE FEES - 29-A M.R.S.A. c. 5 - 7

The Secretary of State oversees the administration of the various motor vehicle registrations and operator's licenses. All fees collected by the Secretary of State from motor vehicle registration and operator's license accrue to the Highway Fund, except that a portion of the fees and contributions collected for Conservation plates and University of Maine System plates accrue as dedicated revenue to be used for special purposes. **Table III-3** on pages 45 and 46 summarize the fees collected for motor vehicle registrations and operator's licenses including driver education licensing fees. These fees are those that were in effect on July 1, 1996 unless otherwise noted. (Also see the website of the Department of the Secretary of State (www.state.me.us/sos/bmv/dlc/dlcfes.htm)).

Revenue Notes - Motor Vehicle & Operator's License Fees - Table OPF-1, Table GF-1, Tables HF-1 & Table OSR-1

Revenue collected from Motor Vehicle & Operator's License Fees accrue primarily to the Highway Fund (see **Table HF-1**). The General Fund revenue in **Table GF-1** listed under Motor Vehicle & Operator's License Fees is primarily from excise taxes on non-resident motor vehicles, driver's license restoration fees and Driver Education and Evaluation program fees. The revenue in **Table OSR-1** listed under Motor Vehicle & Operator's License Fees includes revenue generated from Conservation and University of Maine System plates and revenue from operating authority fees for the mandatory insurance program for motor carriers that accrue to the Transportation Safety Fund. **Table OSR-1** also includes revenue generated by the Truck Excise Tax program.

TABLE III-3 Motor Vehicle & Operator's License Fees

MOTOR VEHICLE AND TRUCK FEES

Regular Motor Vehicle Plates	\$23.00/year
Out-of-Sequence Plates	\$5.00 one-time ⁽¹⁾
Initial Plates (Vanity Plates)	\$15.00/year ⁽¹⁾
Conservation Plates - 1st Year Renewal	\$20.00/year ⁽¹⁾ Renewal \$15.00 ⁽¹⁾
University of Maine System Plates - 1st Year Renewal	\$20.00/year ⁽¹⁾ Renewal \$15.00 ⁽¹⁾
Truck Camper	\$10.00
Motorcycles	\$19.00
Antique Motor Vehicles	\$13.00 ⁽¹⁾
Horseless Carriage	\$13.00
Stock Cars - Off-road Use Only	\$6.00
Dune Buggies - Off-road Use Only	\$6.00
Street Rod	\$28.00
Mopeds	\$7.00
Automobile - Island Use Only	\$2.00
Motor vehicle inspection exclusive of repairs, etc.	\$6.00
Transfer fees for trailer not exceeding 2,000 lbs.	\$5.00
Transfer fees for trailer over 2,000 lbs.	\$8.00
Semi-trailers (annual) not exceeding 2,000 lbs.	\$8.50
Semi-trailers (annual) over 2,000 lbs.	\$16.00
Boat and mobile home trailers generally	\$8.50
Camp trailers in excess of 2000 lbs.	\$16.00
Special Equipment not exceeding 2,000 lbs.	\$8.00
Special Equipment not 2,001 to 5,000 lbs.	\$13.00
Special Equipment over 5,000 lbs.	\$18.00
Special Mobile Equipment Class A - (see table on next page for deta	\$19.00 to \$565.00
Special Mobile Equipment Class B	\$18.00
Trucks & tractors registered for gross weight (see table on next page	\$23.00 to \$980.00
Farm trucks registered for gross weight (see table on next page for d	\$19.00 to \$355.00

⁽¹⁾ In addition to the Regular Motor Vehicle Plates Fee

OPERATOR'S LICENSE FEES

Photo-licenses Class A and B	\$41.00 for 6 years
Photo-licenses Class C	\$30.00 for 6 years
Operator's License (non-photo for 65 & older)	\$18.00 for 4 years
Commercial license for 65 & older (without photo)	\$25.00 for 4 years
Photo (optional for persons over 65)	\$3.00
Operator's permit and examination: Class A and B	\$35.00
Operator's permit and examination: Class C	\$10.00
Operator's permit and examination: Endorsements	\$10.00
Re-Exam Fee Class A and B	\$15.00
Re-Exam Fee Class C	\$5.00

DEALER FEES

Dealer registration fees	\$150.00/year plus \$20.00 plate
Transporter plates	\$150.00/year plus \$20.00 plate
Motorcycle dealers	\$50.00/year plus \$5.00 plate
Boat or snowmobile trailer dealers	\$50.00/year plus \$5.00 plate
Dealer wrecker plate does not exceed 24,000 lbs.	\$50.00
Dealer wrecker plate does not exceed 80,000 lbs.	\$200.00

DRIVER EDUCATION LICENSING FEES

Motorcycle Instructor Certification	\$100.00
Motorcycle Classroom Inspection	\$50.00
Motorcycle Driving Range Inspection	\$50.00
Commercial Driver Education School License	\$125.00 (Eff. 1/1/97)
Non-commercial Driver Education School License	No Fee
Instructor License at Commercial School	\$80.00 (Eff. 1/1/97)
Instructor License at Non-commercial School	No Fee

TABLE III-3 Motor Vehicle & Operator's License Fees (continued)

DETAIL - TRUCKS AND TRACTORS

Gross Weight in Pounds	Fee	Gross Weight in Pounds	Fee
0 to 6,000	\$23.00	40,001 to 42,000	\$424.00
6,001 to 9,000	\$29.00	42,001 to 45,000	\$448.00
9,001 to 12,000	\$46.00	45,001 to 48,000	\$495.00
12,001 to 14,000	\$79.00	48,001 to 51,000	\$531.00
14,001 to 16,000	\$103.00	51,001 to 54,000	\$566.00
16,001 to 18,000	\$128.00	54,001 to 55,000	\$578.00
18,001 to 20,000	\$159.00	55,001 to 60,000	\$638.00
20,001 to 23,000	\$186.00	60,001 to 65,000	\$697.00
23,001 to 26,000	\$218.00	65,001 to 69,000	\$760.00
26,001 to 28,000	\$265.00	69,001 to 72,000	\$795.00
28,001 to 32,000	\$306.00	72,001 to 75,000	\$819.00
32,001 to 34,000	\$340.00	75,001 to 78,000	\$855.00
34,001 to 38,000	\$377.00	78,001 to 80,000	\$875.00
38,001 to 40,000	\$401.00	80,001 to 90,000	\$980.00

DETAIL - FARM TRUCKS

Gross Weight in Pounds	Fee	Gross Weight in Pounds	Fee
0 to 6,000	\$19.00	26,001 to 29,000	\$144.00
6,001 to 9,000	\$22.00	29,001 to 32,000	\$164.00
9,001 to 11,000	\$25.00	32,001 to 35,000	\$240.00
11,001 to 14,000	\$37.00	35,001 to 38,000	\$263.00
14,001 to 16,000	\$48.00	38,001 to 42,000	\$286.00
16,001 to 18,000	\$70.00	42,001 to 46,000	\$309.00
18,001 to 20,000	\$82.00	46,001 to 50,000	\$332.00
20,001 to 23,000	\$99.00	50,001 to 54,000	\$355.00
23,001 to 26,000	\$117.00		

Temporary Registered Gross Weight Increase for Trucks and Farm Trucks⁽²⁾

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%

⁽²⁾ When a truck is already registered, the owner, by placing 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.

DETAIL - SPECIAL MOBILE EQUIPMENT - CLASS A⁽³⁾

Gross Weight in Pounds	Fee	Gross Weight in Pounds	Fee
54,001 to 60,000	\$385.00	70,001 to 75,000	\$475.00
60,001 to 65,000	\$415.00	75,001 to 80,000	\$505.00
65,001 to 70,000	\$445.00	80,001 to 90,000	\$565.00

⁽³⁾ Farm Trucks Fee Schedule applies for Class A Special Mobile Equipment for 54,000 pounds and under.

HUNTING AND FISHING LICENSE FEES - M.R.S.A. Title 12, Part 10

The Department of Inland Fisheries and Wildlife collects a wide 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. 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 revenues collected by the department in that same fiscal year. **Table III-4** on page 49 provides a list of the hunting and fishing license fees collected by the Department of Inland Fisheries and Wildlife. The fees listed are effective January 1, 1998.

Revenue Notes - Hunting and Fishing License Fees - Table OPF-1, Table GF-1, and Table OSR-1

Much of the revenue from hunting and fishing license fees accrue as General Fund revenue and are included in **Table GF-1**. A very small amount of revenue collected from hunting and fishing license fees accrue as Other Special Revenue and are included in **Table OSR-1**. The fees that are recorded as dedicated revenue are whitewater usage fees, a portion of the snowmobile registration fees.

History - Hunting and Fishing License Fees

The first recorded hunting licenses were issued in 1899 through 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 adopted in 1919, 25¢ for a lifetime license. Non-resident hunting license fees adopted in 1920, \$15.00. Since then, laws have been revised to present status as shown by the schedule of fees on page 49.

ATV, SNOWMOBILE & WATERCRAFT FEES - M.R.S.A. Title 12, c.715

A listing of ATV, snowmobile, & watercraft fees is provided in **Table III-5** on page 50.

Snowmobile Registration. The resident snowmobile registration fee is distributed as follows: 22% of each fee is credited to the General Fund; 52% is credited to the Snowmobile Trail Fund of the Department of Conservation, 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 that 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 Department of Conservation, Bureau of Parks and Lands. (12 M.R.S.A. §7824, sub-§3)

Watercraft Registration and Safety. All revenues collected under 12 M.R.S.A. chapter 715, sub-chapter I, including fines, fees and other available moneys, is distributed to the General Fund and as dedicated revenue to the Department of Marine Resources according to an allocation formula that directly relates to the administrative costs of the Division of Licensing and Registration within the Department of Inland Fisheries and Wildlife and the historical revenue distribution pattern, including any necessary year-end reconciliation and accounting distributions. The allocation rate must be jointly agreed to by the Department of Inland Fisheries and Wildlife and the Department of Marine Resources, and approved by the Department of Administrative and Financial Services, Bureau of the Budget. (12 M.R.S.A. §7800, sub-§3)

All-Terrain Vehicle Registration. Up to 49% of the revenue is credited to the General Fund and at least 51% of each annual registration fee is credited to the ATV Recreational Management Fund administered by the Department of Conservation. (12 M.R.S.A. §7854 sub-§4)

ATV, SNOWMOBILE & WATERCRAFT FEES - continued

Revenue Notes - ATV, Snowmobile, & Watercraft Fees - Table OPF-1, Table GF-1 & Table OSR-1

The amounts collected by the Department of Inland Fisheries and Wildlife from these fees are provided in **Table GF-1**. **Table OSR-1** presents the amounts distributed to Department of Conservation and the Department of Marine Resources.

History - ATV, Snowmobile, & Watercraft Fees

The first recorded hunting licenses were issued in 1899 through 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 adopted in 1919, 25¢ for a lifetime license. Non-resident hunting license adopted in 1920, \$15.00. Since then, laws have been revised to present status as shown by the following schedule of fees.

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. 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. **Table III-6** on page 51 provides a comprehensive list of all fees collected by the Department of Marine Resources. The fees listed were effective January 1, 1998.

Revenue Notes - Marine Resources License Fees - Table OPF-1, Table GF-1 & Table OSR-1

See **Table GF-1** for General Fund revenue and **Table OSR-1** for dedicated revenue. **Table OPF-1** provides the combined revenue derived from these fees.

History - Marine Resources License Fees

Adopted in 1911.

SARDINE TAX - 36 M.R.S.A. c. 713

An excise tax at the rate of 15¢ per case is imposed upon the privilege of packing sardines and an excise tax of 10¢ per case is imposed on kippers, steaks and other canned herring products. Funds collected are transferred to the Maine Sardine Council and used to advertise, research, study and conserve the industry.

Revenue Notes - Sardine Tax - Table OPF-1 & Table OSR-1

Revenue from the Sardine Tax accrues as dedicated revenue (see either **Table OPF-1** or **Table OSR-1** for the amount of revenue generated by the tax).

History - Sardine Tax

Adopted 1951. Amended in 1963 striking a provision for a \$500,000 limit on collections. Amended in 1965 to exempt exported sardines. Amended in 1969 to include financing of inspections of sardines. Amended in 1981 by PL 1981, c. 71, effective 11/1/81, to increase tax from 25¢ to 40¢ and, then, by PL 1981, c. 614 to decrease the tax to 30¢. Amended by PL 1991, c. 446 effective July 1, 1991 to increase the tax to 35¢ and impose a tax of 15¢ per case on kippers and steaks not previously subject to the tax. Amended by PL 1995, c. 397 to decrease the tax on sardines to 30¢, decrease the tax on kippers and steaks to 10¢ and extend the 10¢ per case tax to other canned herring products. Amended by PL 1997, c. 706 effective January 1, 1998 to decrease the excise tax for packing sardines to 15¢ with no change to the excise tax on kippers, steaks and other canned herring products.

Table III-4 - Hunting and Fishing License Fees

Hunting		Fishing		Trapping	
Resident Hunting	\$19.00	Resident Fishing	\$19.00	Resident Trapping	\$33.00
Non-resident Big Game	\$85.00	Non-resident Season Fishing	\$50.00	Non-resident Trapping	\$308.00
Resident Small Game	\$12.00	Alien Fishing	\$70.00	Resident Junior Trapping	\$7.00
Non-resident Small Game	\$55.00	Resident/Non-resident 3-Day Fishing	\$21.00	Supersport Trapping (in addition to regular fees)	\$15.00
Non-resident 3-day Small Game	\$30.00	Non-resident 7-Day Fishing	\$34.00	Miscellaneous	
Alien Big Game	\$125.00	Non-resident Exchange Fishing	\$12.00	Wildlife Exhibit Permit	\$73.00
Alien Small Game	\$70.00	Non-resident 15-Day Fishing	\$38.00	Wildlife Propagator (2 years)	\$25.00
Resident Junior Hunting	\$5.00	Non-resident Junior Fishing	\$7.00	Wildlife Importation Permit	\$25.00
Non-resident Junior Hunting	\$25.00	Alewife, Sucker and Yellow Perch Crew Permit	\$42.00	Falconry	\$24.00
Supersport Hunting (in addition to regular fees)	\$15.00	Resident Salmon Stamp	\$14.00	Resident Hide Dealer	\$58.00
Resident Muzzle-Loading Hunting	\$11.00	Non-resident Salmon Stamp	\$39.00	Non-resident Hide Dealer	\$108.00
Non-resident Muzzle-Loading Hunting	\$33.00	Non-resident Salmon 3-day (16 years and older)	\$14.00	Special Hide Dealer	\$10.00
Alien Muzzle-Loading Hunting	\$58.00	Non-resident Salmon Junior (under 16 years)	\$4.00	Taxidermist	\$75.00
Resident Archery	\$19.00	Resident/Non-resident One Day Fishing License	\$9.00	Commercial Shooting Area/Renewal	\$333.00/133.00
Non-resident Archery	\$55.00	Fishing Derby Permit	\$24.00	Dog Training Area	\$25.00
Alien Archery	\$70.00	Supersport Fishing (in addition to regular fees)	\$15.00	Duplicate License Fees	\$2.00
License to Hunt Commercial Shooting Area	\$19.00	Boy and Girl Camp Fishing	\$48.00/73.00/104.00	Guide (3 years)	\$79.00
Coyote Hunting Permit (Valid Hunting License Required)	\$2.00	One Day Bass Tournament - Weigh-in/Catch and Release	\$24.00/5.00	Whitewater Guide	\$29.00
Pheasant Stamp	\$15.00	1-day Fish Exchange Combo	\$27.00	Commercial Whitewater Outfitters	\$350.00
Migratory Waterfowl Stamp	\$2.50	3-day Fish Exchange Combo	\$15.00	Field Trials Sporting Retrieve Dogs	\$25.00
Resident Bear Hunting Permit	\$5.00	Combination		Fur Seals	\$0.25
Non-resident Bear Hunting Permit	\$15.00	Resident Combination Hunting & Fishing	\$36.00	Camp Trip Leader/Renewal	\$18.00/13.00
Resident Turkey Application	\$5.00	Resident Supersport Combination License (in addition to regular fees)	\$15.00	License to Cultivate or Harvest Fish	\$25.00
Non-resident Turkey Application	\$10.00	Resident Serviceman's Combination	\$20.00	License to Sell Inland Fish (Commercially grown or imported)	\$25.00
Resident Moose Application	\$5.00	Resident Combination Archery-Hunting & Fishing	\$36.00	Live Bait Retailer	\$14.00
Non-resident Moose Application	\$20.00	Non-resident Combination Hunting & Fishing	\$123.00	Baitfish Wholesaler	\$24.00
Resident Moose Permit	\$29.00	Alien Combination Hunting & Fishing	\$176.00	Smelt Wholesaler	\$69.00
Non-resident Moose Permit	\$300.00			Whitewater Usage Fee	\$1.00
				Duck Stamp Special	\$2.50
				Duck Stamp	\$2.25
				Sale of Year Old Stamps	\$1.00

Table III-5 - ATV, Snowmobile & Watercraft Fees

Fee Description	Fee
All Terrain Vehicle	
All-Terrain Vehicle Dealer's Registration	\$15.00
All-Terrain Vehicle Dealer's Plate	\$5.00
All-Terrain Vehicle Replacement Plate	\$2.50
All-Terrain Vehicle Local Temporary Registration	\$12.00
All-Terrain Vehicle Duplicate Registration	\$1.00
All-Terrain Vehicle Sticker	\$1.00
All-Terrain Vehicle Registration Transfer	\$2.00
All-Terrain Vehicle Dealer Temporary Plate	\$1.00
Snowmobile	
Resident Snowmobile Registration	\$20.00
Resident Antique Snowmobile Registration (One-Time Fee)	\$30.00
Non-resident Snowmobile Registration Season	\$60.00
Non-resident Snowmobile Registration 3-day	\$35.00
Non-resident Snowmobile Registration 10-day	\$50.00
Snowmobile Dealer Fee	\$15.00
Snowmobile Dealer Plate	\$16.00
Snowmobile Dealer Temporary Plate	\$1.00
Resident Snowmobile Duplicate Registration	\$1.00
Snowmobile Duplicate Registration Sticker	\$1.00
Resident Snowmobile Registration Transfer Fee	\$2.00
Non-resident Snowmobile Dealer Registration	\$15.00
Non-resident Snowmobile Transfer Registration	\$2.00
Non-resident Snowmobile Duplicate Registration	\$1.00
Non-resident Snowmobile Dealer Plate	\$60.00
Resident Snowmobile Local Temporary Registration	\$20.00
Snowmobile Dealer Replacement Plates	\$5.00
Watercraft	
Watercraft Registration - under 10 H.P.	\$6.00
Watercraft Registration - 11 to 50 H.P.	\$10.00
Watercraft Registration - 51 H.P. and above	\$15.00
Personal Watercraft Registration	\$20.00
Watercraft Registration-Dealer	\$15.00
Watercraft Operators License	\$1.00
Watercraft Duplicate Sticker	\$1.00
Watercraft Local Temporary Registration	\$4.00
Watercraft Dealer Temporary Plate	\$1.00

Table III-6 - Marine Resources License Fees

Resident Commercial Fishing License (Single)	\$33.00	Resident Sea Weed License	\$10.00
Resident Commercial Fishing License (New)	\$89.00	Resident Sea Weed License - supplemental	\$3.00
Scallop Fishing License - non-commercial	\$8.00	Non Resident Sea Weed License	\$84.00
Scallop Fishing License - dragger	\$89.00	Commercial Shellfish License	\$63.00
Scallop Fishing License - diver	\$89.00	Mahogany Quahog License	\$89.00
Retail Seafood Dealer License	\$85.00	Mussel License - Hand	\$63.00
Sea Urchin Fishing License - dragger	\$89.00	Mussel License - Dragger	\$30.00
Sea Urchin Fishing License - diver	\$89.00	Duplicate Licenses	\$1.00
Sea Urchin Fishing License - tender	\$89.00	Eel Gear Licenses:	
Sea Urchin Fishing License - raker/trapper	\$89.00	1 Dip Net - Resident	\$83.00
Sea Urchin Fishing License - temporary	\$25.00	1 Dip Net - Nonresident	\$384.00
Sea Urchin Fishing License - surcharge - dragger	\$160.00	1 Fyke Net/Sheldon Trap Only - resident	\$83.00
Sea Urchin Fishing License - surcharge - diver	\$160.00	1 Fyke Net/Sheldon Trap Only - nonresident	\$384.00
Sea Urchin Fishing License - surcharge - raker/trapper	\$160.00	1 Fyke Net/Trap & Dip Net - resident	\$83.00
Sea Urchin Fishing License - dealer	\$2,500.00	1 Fyke Net/ Trap & Dip Net - nonresident	\$434.00
Sea Urchin Fishing License - surcharge - dealer	\$500.00	2 Fyke Net/Traps - resident	\$133.00
Lobster/Crab Fishing License - Class I	\$93.00	2 Fyke Net/Traps - nonresident	\$434.00
Lobster/Crab Fishing License - Class I - surcharge	\$25.00	2 Fyke Net/Trap & Dip Net - resident	\$183.00
Lobster/Crab Fishing License - Class II	\$186.00	2 Fyke Net/Trap & Dip Net - nonresident	\$484.00
Lobster/Crab Fishing License - Class II -surcharge	\$50.00	3 Fyke Net/Traps - resident	\$233.00
Lobster/Crab Fishing License - Class III	\$279.00	3 Fyke Net/Traps - nonresident	\$534.00
Lobster/Crab Fishing License - Class III - surcharge	\$75.00	3 Fyke Net/Trap & Dip Net - resident	\$283.00
Lobster/Crab Fishing License - student	\$46.00	3 Fyke Net/Trap & Dip Net - nonresident	\$584.00
Lobster/Crab Fishing License - under age 18	\$46.00	4 Fyke Net/Traps - resident	\$433.00
Lobster/Crab Fishing License - over age 70	\$46.00	4 Fyke Net/Traps - nonresident	\$734.00
Lobster/Crab Fishing License - apprentice	\$93.00	4 Fyke Net/Trap & Dip Net - resident	\$483.00
Lobster/Crab Fishing License - apprentice under 18	\$46.00	4 Fyke Net/Trap & Dip Net - nonresident	\$784.00
Lobster/Crab Fishing License - non-commercial	\$46.00	5 Fyke Net/Traps - resident	\$533.00
Wholesale Seafood Dealer License	\$217.00	5 Fyke Net/Traps - nonresident	\$834.00
Wholesale Seafood Dealer License - supplemental	\$43.00	5 Fyke Net/Trap & Dip Net - resident	\$583.00
Wholesale Seafood Dealer License - surcharge	\$200.00	5 Fyke Net/Trap & Dip Net - nonresident	\$884.00
Lobster Transportation License	\$217.00	Eel Pot License	\$100.00
Lobster Transportation License - supplemental	\$43.00	Marine Worm Digger License	\$43.00
Lobster Meat Permit	\$110.00	Marine Worm Dealers License	\$55.00
Shellfish Transport License	\$259.00	Marine Worm Dealers License - supplemental	\$22.00
Shellfish Transport License - supplemental	\$85.00	Lobster Trap Tags	\$0.20

ATLANTIC SALMON LICENSE FEES - 12 M.R.S.A. §9904

The Atlantic Salmon Authority collects fees charged for licenses which allow persons to fish for, possess or transport Atlantic salmon. As established by current law the following fees are in place:

Atlantic Salmon License, resident	15.00
Atlantic Salmon License, nonresident, 16 years of age or older, season license	40.00
Atlantic Salmon License, nonresident, 16 years of age or older, 3-day license	15.00
Atlantic Salmon License, nonresident, under 16 years of age	5.00
Atlantic Salmon Agents Fees	1.00
Atlantic Salmon Duplicate License	1.00

Revenue Notes - Atlantic Salmon License Fees - Table OPF-1 & Table OSR-1

Revenue from these license fees accrues as dedicated revenue (See **Table OPF-1** or **Table OSR-1** for the amount of revenue generated by these fees).

History - Atlantic Salmon License Fees

First authorized by PL 1979, c. 420; \$1 for resident Atlantic Salmon permit and \$15 for nonresident permit. Amended several times to increase fees to current levels.

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 distribution in wholesale channels of trade. The purpose of this tax is to fund the Toxin Monitoring Fund established in 12 M.R.S.A. §6731-A. Any revenue in excess of \$16,000 annually is credited to the General Fund.

Revenue Notes - Mahogany Quahog Tax - Table OPF-1, Table GF-1 & Table OSR-1

Table OPF-1 shows the aggregate revenue generated by this tax, with **Table OSR-1** showing the amounts accruing to the Toxin Monitoring Fund and **Table GF-1** showing the remainder that is credited to 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 rate to \$1.20 per bushel.

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

The Department of Environmental Protection is authorized to collect a wide variety of licensing and assessment fees. Most of the fees collected by the department are dedicated to particular programs. The various fees are categorized by the major programs within the department:

- Air Quality
- Remediation and Waste Management
 - Hazardous Waste
 - Biomedical Waste
 - Oil
 - Solid Waste
 - Septage Facilities
 - Sludge and Residuals
 - Composting

ENVIRONMENTAL PROTECTION FEES - continued

- Land and Water Quality
 - Natural Resources Protection Act
 - Site Location
 - Stormwater
 - Mining/Excavation
 - Wastewater Discharge
 - Oil Conveyance

A complete list of all fees charged by the Department of Environmental Protection is on file at the Office of Fiscal and Program Review.

Revenue Notes - Environmental Protection Fees - Table OPF-1 & Table OSR-1

Tables OPF-1 and OSR-1 show the dedicated revenue amounts generated by many of the fees imposed by the Department of Environmental Protection. Revenue collections of the Department of Environmental Protection that are not dedicated to a particular program accrue to the General Fund. These amounts have not been segregated in **Table GF-1**.

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.

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 sales and use tax except that municipal revenue sharing is not deducted from the revenue collected by this fee. Any exclusion, exemption or credit provided in the sales and use tax law also applies to the recycling assistance fee. Retailers responsible for collecting and remitting sales and use tax are also responsible for collecting and remitting the recycling assistance fee. New tires and new lead-acid batteries purchased out of state for use within the state are also subject to the recycling assistance fee. All revenues are dedicated to the Maine Solid Waste Management Fund which is used to fund recycling programs for municipalities administered by the State Planning Office and the solid waste regulatory activities of the Department of Environmental Protection.

Revenue Notes - Recycling Assistance Fee - Table OPF-1 & Table OSR-1

As noted above, the revenue from this source accrues as dedicated revenue (see either **Table OPF-1** or **Table OSR-1** for the total revenue generated by this fee). In previous versions of this report, this revenue was included under Service Charges for Current Services.

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.

MAINE MILK POOL - 7 M.R.S.A. §3153

A fee determined by the Department of Agriculture, Food and Rural Resources 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, except that \$0.02 per hundredweight is paid by the Board to the Maine Dairy and Nutrition Council.

Revenue Notes - Maine Milk Pool - Table OPF-1 & Table OSR-1

The revenue from this source accrues as dedicated revenue (see either **Table OPF-1** or **Table OSR-1** for the total revenue generated by this fee). The amounts under this heading in these tables do not include the amounts collected by the Department of Agriculture, Food and Rural Resources and then redistributed to producers. This amount is included under Service Charges for Current Services as Miscellaneous Income. At this time, these amounts are not able to be segregated.

History - Maine Milk Pool

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.

MAINE DAIRY STABILIZATION TAX - 36 M.R.S.A. c. 708-A (Repealed)

A tax was imposed on the handling of packaged milk for retail sale in Maine. It was paid by the wholesale handler or, if there was none, the retail handler. The rate of tax was established monthly in relation to the price of milk. The tax varied from \$0.00 per quart when the price of the milk was at least \$16.50 per hundredweight to \$0.06 per quart when the price of milk was below \$14.00 per hundredweight. Funds received were dedicated to assisting in the stabilization of the Maine dairy industry and to the Women, Infants and Children program at the Department of Human Services.

Revenue Notes - Maine Dairy Stabilization Tax - Table OSR-1

Revenue from this tax accrues as dedicated revenue (See **Table OSR-1** for the amounts). The amounts in **Table OPF-1** under Milk Handling & Dairy Stabilization Taxes include the amounts collected under the Milk Handling Tax (see next section).

History - Maine Dairy Stabilization Tax

Adopted 1991. Amended in 1993 to repeal the sunset scheduled for November, 1993. Other minor amendments changed effective monthly dates and changed exempt pounds from 400,000 to 800,000 pounds/month. Note: On August 24, 1994, the United States First Circuit Court of Appeals found the Maine Dairy Farm Stabilization Tax unconstitutional. Collections of the tax were suspended as of September 3, 1994. PL 1995, c. 2 repealed tax effective January 17, 1995.

MILK HANDLING TAX - 36 M.R.S.A. c. 716

A tax is imposed on the handling of packaged milk for retail sale in the State. The tax rate is established monthly in relation to the price of milk. The tax varies from \$0.00 per quart when the price of milk is \$16.50 per hundred weight or more to \$0.06 per quart when the price of milk is below \$14.00 per hundred weight. There is no tax on the handling in this state 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 TAX - continued

Revenue Notes - Milk Handling Tax - Table GF-1 & Table OPF-1

Revenue from this tax accrues as General Fund revenue (See **Table GF-1** for the amounts). The amounts in **Table OPF-1** under Milk Handling & Dairy Stabilization Taxes include the amounts collected under the Maine Dairy Stabilization Tax (see previous section).

History - Milk Handling Tax

Enacted by PL 1995, c. 2 effective January 17, 1995. This tax was originally scheduled to be repealed on August 1, 1996. PL 1995, c. 661 extended the repeal date to November 1, 1997. PL 1997, c. 348 extended the repeal date to November 1, 1998.

BLUEBERRY TAX - 36 M.R.S.A. c. 701

A tax is imposed at the rate of 10 mills or 1 cent per pound of fresh fruit on all wild blueberries grown, purchased, sold, handled or processed in this State. Funds collected are transferred to the Wild Blueberry Commission of Maine for promotion, advertising, research and education.

Revenue Notes - Blueberry Tax - Table OPF-1 & Table OSR-1

Revenue from this tax accrues as dedicated revenue. See either **Table OPF-1** or **Table OSR-1** for the amounts of revenue generated by this tax.

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 per pound.

POTATO TAX - 36 M.R.S.A. c.710

A tax is levied and imposed at the rate of \$.05 per hundredweight on all potatoes raised in this state 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.

Revenue Notes - Potato Tax - Table OPF-1 & Table OSR-1

Revenue from this tax accrues as dedicated revenue to the Maine Potato Board. See either **Table OPF-1** or **Table OSR-1** for the total revenue generated by this tax.

History - Potato Tax

Adopted 1937. Amended in 1955 increasing tax from 1 cent to 2¢ per barrel. Amended in 1972 to \$.012 per hundredweight. Amended to \$.025 per hundredweight, effective October 1, 1975. Amended to \$.05 per hundredweight, effective July 25, 1984. Unmerchantable potatoes are exempted, effective August 1, 1986.

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

An excise tax is imposed on each mining company for the privilege of conducting mining within the state. It 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 rights.

MINING EXCISE TAX - continued

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.

Tax revenues accrue to the General Fund, the Mining Correction 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 1998.

History - Mining Excise Tax

Enacted in 1982 by PL 1981, c. 711.

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

The State collects a commission 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 General Fund, the Sire Stakes Fund, the Stipend Fund, and the Harness Racing Promotional Fund or retained by or returned to race tracks and off-track betting facilities.

Revenue Notes - Pari-Mutuel Revenue - Table OPF-1, Table GF-1, & Table OSR-1

Table GF-1 shows the General Fund revenue generated by this source. **Table GF-1** includes a small amount of revenue generated by License Fees for Harness Horse Racing. **Table OSR-1** shows the amounts that accrue to the various dedicated funds listed above and **Table OPF-1** shows the aggregate revenue generated by this revenue source.

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-track betting facilities and establishing the Harness Racing Promotional Fund. Further amendments were adopted 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.

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

Revenue from the sales 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 the Tri-State Lottery. Pursuant to Title 12 M.R.S.A., Chapter 714, the Maine Lottery also administers a wildlife lottery game to raise funds for the Maine Outdoor Heritage Fund.

LOTTERY REVENUE - continued

By Maine Law, 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 1998 was as follows:

- 55.6% - Prizes
- 26.6% - Transfer to General Fund
- 8.5% - Other Cost of Goods Sold (includes Heritage and Tri-State expenses)
- 6.7% - Agent Commissions
- 1.9% - Lottery Operating Expenses
- .7% - Transfer to Outdoor Heritage Fund

Revenue Notes - Lottery Revenue - Table OPF-1, Table GF-1 & Table OSR-1

Table GF-1 provides a history of the General Fund revenue collected from lottery operations, while **Table OSR-1** shows the amounts that accrued to the Outdoor Heritage Fund. **Table OPF-1** provides the combined net operating revenue generated by lottery operations.

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).

REVENUE FROM FEDERAL GOVERNMENT

This category of revenue includes funds received from the Federal Government. The largest portion of these revenues occur in Other Special Revenue funds which include the Federal Expenditures Fund and the Federal Block Grant Funds. Revenue received from the Federal Government is usually segregated using these funds. However, there are some situations where the General Fund and the Highway Fund record revenue from the Federal Government. For example, the Department of Corrections receives federal funds for the housing of federal prisoners. These funds are deposited as General Fund revenue to offset General Fund expenditures. Other institutions receive federal funds from the school nutrition program and credit the receipt as General Fund revenue, again to reimburse General Fund expenditures.

Revenue Notes - Revenue From Federal Government - Table OPF-1, Table GF-1, Table HF-1 & Table OSR-1

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 for their share of the costs of housing certain juveniles at the Maine Youth Center. 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 Notes - Revenue From Local Governments - Table OPF-1, Table GF-1, Table HF-1 & Table OSR-1

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 these revenues is related to Child Support Collections. These collections accrue as General Fund revenue to offset General Fund expenditures for certain programs within the Department of Human Services. Child support collections also accrue to Other Special Revenue Funds and, again, represent the bulk of the revenue collected under this category.

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

In Other Special Revenue Funds, a substantial amount of revenue is classified as "Private Contributions for Other Purposes" under this category of revenues. For instance, the Department of Transportation received over \$12 million dollars in fiscal year 1998 as a transfer from the federal government to a private corporation for the development of public transportation. The Judicial Department has received approximately \$300,000 to \$400,000 annually from the federal government through the Department of Human Services to fund child support enforcement activities. The Maine Health Data Organization also uses this classification for its annual assessment.

Revenue Notes - Revenue From Private Sources - Table OPF-1, Table GF-1, Table HF-1 & Table OSR-1

SERVICE CHARGES FOR CURRENT SERVICES

This revenue category includes all charges such as rent or 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 Human Services uses "Miscellaneous Income" in the General Fund revenue to age certain accounts receivable. The Department of Public Safety is also a substantial contributor under this category with revenue resulting from special services provided upon request. The Department of Agriculture, Food and Rural Resources also uses this "Miscellaneous Income" classification to record revenue collected from the Maine Milk Pool Fee that is distributed back to producers.

This category also includes some application fees and exam fees that are associated with some of the license fees categorized under more specific headings such as Professional and Occupational Fees.

Revenue Notes - Service Charges for Current Services - Table OPF-1, Table GF-1, Table HF-1 & Table OSR-1

CONTRIBUTION AND TRANSFERS FROM OTHER FUNDS

This revenue classification is used to record contributions and transfers between state funds. The major source in this category for the General Fund is the annual transfer from the Office of the State Treasurer as the administrator of the Uniform Unclaimed Property Act. After the expiration of the required holding period for unclaimed property, the property is sold with the proceeds accruing to the Abandoned Property Fund. At the end of each fiscal year, amounts in excess of \$150,000 in that fund are transferred to the General Fund. For Other Special Revenue, the negative amount in fiscal year 1998 results from a \$20,000,000 transfer from the Tobacco Tax Relief Fund to the Maine Rainy Day Fund.

Revenue Notes - Contribution and Transfers from Other Funds - Table OPF-1, Table GF-1 & Table HF-1

STATE COST ALLOCATION PROGRAM REVENUE

A charge is made against certain Highway Fund, Federal Funds and Other Special Revenue Funds expenditures. These expenditures include Personal Services and All Other expenditures, except grants and pensions and exclude Capital Expenditures. The charge is made 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. The revenue accrues to the General Fund. (See **Table GF-1**). The amounts included in **Table OPF-1** also include some revenue to the Highway Fund that offsets the expenditures made for the operations and maintenance associated with certain buildings and grounds. State Cost Allocation Program Revenue is recorded in the General Fund as "Contributions and Transfers from Other Funds". The Highway Fund revenue is classified as "Miscellaneous Income" and appears in the controller's reports under "Service Charges for Current Services".

Revenue Notes - State Cost Allocation Program Revenue - Table OPF-1, Table GF-1 & Table HF-1

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 based on which fund's balance sheet the asset/property is recorded. In the General Fund Table, the largest portion of this revenue comes from the sale of automobiles. For the Highway Fund, the sale of land and automobiles comprise the bulk of the revenue in **Table HF-1** under this category. For Other Special Revenue Funds, a significant portion of the revenue accrues to the Bureau of Public Lands within the Department of Conservation from the sale of timber harvested on public lands.

Revenue Notes - Sales and Compensation for Loss of Property - Table OPF-1, Table GF-1, Table HF-1 & Table OSR-1

FINES, FORFEITS AND PENALTIES

This revenue category includes all revenue, collected primarily by the Judicial System, related to fines and penalties with the exception of interest and penalties for the late payment of taxes. These penalties and interest are classified with the tax associated with the collection. This category does include certain collection expenses of the Bureau of Revenue Services as well as some fines and penalties collected directly by other agencies. While most fines are undedicated revenue accruing to the State's General Fund, there are some instances where the fine and penalty revenue accrues to other funds. Fines from certain traffic infractions accrue to the Highway Fund or as Other Special Revenue for certain fines assessed against motor carriers. The courts also assess several surcharges on fines, forfeits and penalties and recorded under this class of revenues. Most of these surcharges accrue as dedicated revenue under Other Special Revenue Funds and are designated for very specific uses.

Revenue Notes - Fines, Forfeits and Penalties - Table OPF-1, Table GF-1, Table HF-1 & Table OSR-1

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

The Treasurer of State is authorized to deposit money in the State Treasury in any banking institutions, trust companies, state/federal savings and loan associations or mutual savings banks organized under Maine laws or in any national banks or state or federal savings and loan associations located in the State. The Treasurer is also authorized, when there is excess money in the State Treasury that is not needed to meet current obligations, to invest those amounts in bonds, notes, certificates of indebtedness or other obligations of the United States that mature in no more than 24 months. The interest earned on those 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 must be credited to the General Fund.

Revenue Notes - Earnings on Investments - Table OPF-1, Table GF-1, Table HF-1 & Table OSR-1

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 2 funds (i.e., the General Fund and 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.

Revenue recorded as Highway Fund revenue (see **Table HF-1**) represents reimbursements for amounts incurred by the Department of Transportation in the maintenance and improvements to Maine Turnpike interchanges and connecting roads. The Maine Turnpike Authority agreed to pay \$34,000,000 in fiscal year 1996 as an advance payment for the estimated costs of \$4,700,000 annually scheduled from fiscal year 1998 through fiscal year 2004-05 (See PL 1995, c. 504, part C). **Table OSR-1** provides a history of the amounts received as dedicated revenue to the State Police, except that in fiscal year 1994 and fiscal year 1995, the amounts in Revenue from Maine Turnpike Authority include \$15,000,000 and \$1,000,000, respectively, associated with the sale of land to the Maine Turnpike Authority (See PL 1993, c. 410, part MM).

**Revenue Notes - Revenue from Maine Turnpike Authority - Table OPF-1, Table GF-1, Table HF-1
& Table OSR-1**



SECTION IV - SUMMARY OF BONDED DEBT

Table IV-1 on the following page contains a schedule SUMMARY OF BONDED DEBT for the State of Maine as of June 30, 1998. This schedule covers the fiscal years 1974 through 1998. The Total Interest column represents the total amount of interest paid by all funds, as does the Total Bonds Retired and New Bonds Issued, with the Total Bonded Debt shown as of June 30th of each fiscal year. For the purposes of this section, bonded debt refers to bonds authorized and issued. Also included in this report is the total of the Authorized but Unused Bonds as of June 30, 1998. The table provides a 25-year history of Maine's General Obligation Debt segregated into General Fund and Highway Fund. It also includes certain self-liquidating bonds authorized by referendum that pledge the full faith and credit of the State, but are supported by a designated source of revenue, usually generated by fees charged for the use of the facility or capital equipment funded by the bonds. These self-liquidating bonds currently include: bonds for the Maine Veterans Home (see Public Service Enterprises) and bonds for the student housing and dining facilities (see State Colleges and Vocational Institutions). Note: this schedule does not include other debt instruments issued by the State such as certificates of participation and lease appropriations bonds of the Maine Governmental Facilities Authority (formerly the Maine Court Facilities Authority). It also does not include revenue bonds issued by other independent or quasi-independent agencies, such as the Maine Turnpike Authority.

Graph IV-1 on page 64 presents a 25-year history of Maine's bonded debt on a per capita basis and as a percentage of personal income. Population and per capita amounts are from the United States Department of Commerce, Bureau of Census.

In addition to the amounts listed in the schedule on the next page, the State's credit is pledged to guarantee certain loans. As of June 30, 1998 these pledges amounted to the following:

PURPOSE OF GUARANTEE	CONSTITUTIONAL OR STATUTORY LIMITS(1)	BONDS AUTHORIZED NOT ISSUED -CONTINGENT
Finance Authority of Maine	\$ 90,000,000	\$ 90,000,000
Business Loans to Veterans	4,000,000	4,000,000
Student Loans	4,000,000	4,000,000
School Buildings	6,000,000 (2)	0 (2)
Indian Housing	<u>1,000,000</u>	<u>1,000,000</u>
	<u>\$105,000,000</u>	<u>\$ 99,000,000</u>

(1) Except as otherwise noted, the constitutional limits and statutory limits are consistent.

(2) The Constitution authorizes issuance of revenue bonds not to exceed \$6,000,000. The statutory bonding authority was repealed by PL 1993, c. 494.

TABLE IV-1 SUMMARY OF BONDED DEBT*

FISCAL YEAR	GENERAL FUND	HIGHWAY FUND	UNIVERSITY OF MAINE	PUBLIC SERVICE ENTERPRISES	STATE COLLEGES AND VOCATIONAL INSTITUTIONS	TOTAL INTEREST PAID**	TOTAL BONDS RETIRED	NEW BONDS ISSUED	TOTAL BONDED DEBT JUNE 30
1974	163,990,000	64,720,000	13,895,000	1,120,000	13,485,000	11,678,338	15,850,000	15,835,000	257,210,000
1975	179,765,000	70,095,000	13,605,000	1,010,000	13,095,000	12,098,642	16,625,000	36,985,000	277,570,000
1976	187,010,000	65,305,000	13,305,000	900,000	12,705,000	12,978,162	17,790,000	19,445,000	279,225,000
1977	188,270,000	60,515,000	12,995,000	790,000	12,280,000	13,030,951	19,780,000	15,405,000	274,850,000
1978	187,235,000	55,725,000	13,585,000	680,000	11,850,000	12,779,667	20,475,000	14,700,000	269,075,000
1979	185,945,000	50,935,000	13,210,000	570,000	11,390,000	12,933,309	21,940,000	14,915,000	262,050,000
1980	169,370,000	59,145,000	12,835,000	460,000	13,025,000	12,462,444	23,115,000	15,900,000	254,835,000
1981	172,834,000	62,105,000	12,450,000	550,000	12,450,000	13,469,520	23,993,000	29,547,000	260,389,000
1982	161,217,000	67,745,000	12,060,000	630,000	11,865,000	14,702,062	26,252,000	19,380,000	253,517,000
1983	185,097,000	90,260,000	11,655,000	2,200,000	11,240,000	18,525,756	27,410,000	74,345,000	300,452,000
1984	175,899,000	94,830,000	11,245,000	2,000,000	10,610,000	19,806,338	32,423,000	26,555,000	294,584,000
1985	170,084,000	93,185,000	10,805,000	1,890,000	9,970,000	20,023,385	32,695,000	24,045,000	285,934,000
1986	177,110,000	91,240,000	10,360,000	1,800,000	9,320,000	20,383,504	35,839,000	39,735,000	289,830,000
1987	183,990,000	92,365,000	9,895,000	1,710,000	8,615,000	21,478,787	36,245,000	42,990,000	296,575,000
1988	201,160,000	88,170,000	9,420,000	1,620,000	7,905,000	21,719,356	38,570,000	50,270,000	308,275,000
1989	221,645,000	98,850,000	8,930,000	1,530,000	7,145,000	22,775,476	41,955,000	71,780,000	338,100,000
1990	202,405,000	87,610,000	8,435,000	1,440,000	6,385,000	23,030,150	49,325,000	17,500,000	306,275,000
1991	277,710,000	102,870,000	7,910,000	1,350,000	5,580,000	20,012,627	46,980,000	136,125,000	395,420,000
1992	308,590,000	107,395,000	7,380,000	1,260,000	4,755,000	26,131,004	47,155,000	81,115,000	429,380,000
1993	405,821,580	136,320,000	0	1,170,000	1,393,420	30,350,159	47,555,000	162,880,000	544,705,000
1994	383,618,000	143,355,000	0	1,080,000	1,232,000	30,829,705	62,215,000	46,795,000	529,285,000
1995	377,055,000	136,950,000	0	990,000	1,065,000	38,488,110	74,575,000	61,350,000	516,060,000
1996	369,458,000	144,440,000	0	900,000	892,000	34,854,182	77,070,000	76,700,000	515,690,000
1997	339,620,000	129,060,000	0	810,000	720,000	27,674,983	88,180,000	42,700,000	470,210,000
1998	337,575,000	139,180,000	0	720,000	570,000	24,725,993	77,916,005	85,751,005	478,045,000

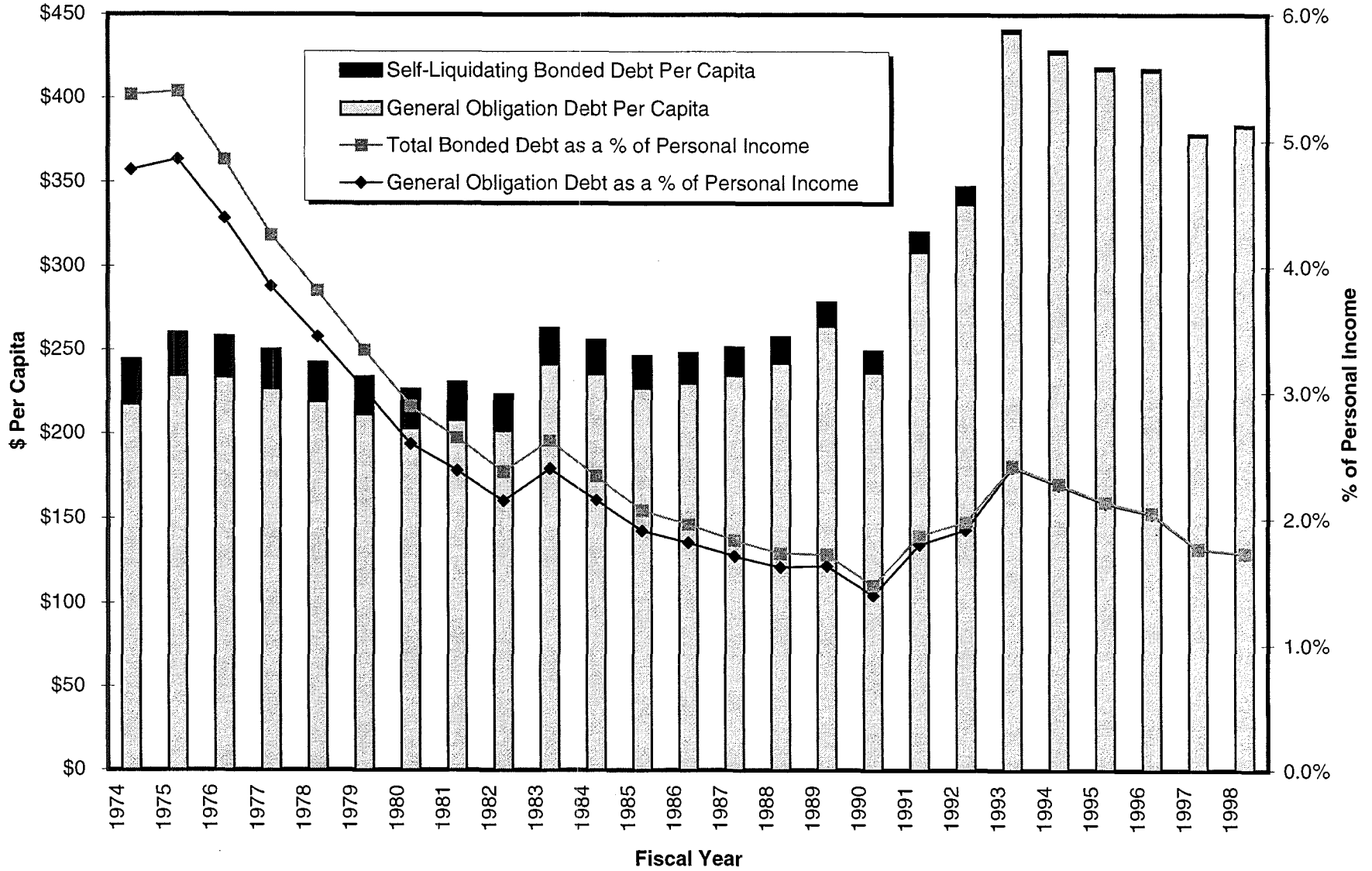
* "Bonded Debt," unless otherwise qualified, refers to Bonds - Authorized and Issued

** Includes Interest Paid on Tax Anticipation Notes (TAN's) in Fiscal Years 1993, 1994, 1995, 1996 and 1997

AUTHORIZED BONDS - UNISSUED June 30, 1998

GENERAL FUND	\$73,890,316	TOTAL STATE BONDED DEBT June 30, 1998	\$478,045,000
HIGHWAY FUND	\$16,900,000	TOTAL UNISSUED AUTHORIZED BONDS June 30, 1998	\$90,790,316
	<u>\$90,790,316</u>	TOTAL AUTHORIZED BONDED DEBT June 30, 1998	<u>\$568,835,316</u>

Graph IV-1 Total State Bonded Debt





SECTION V - MAINE RAINY DAY FUND

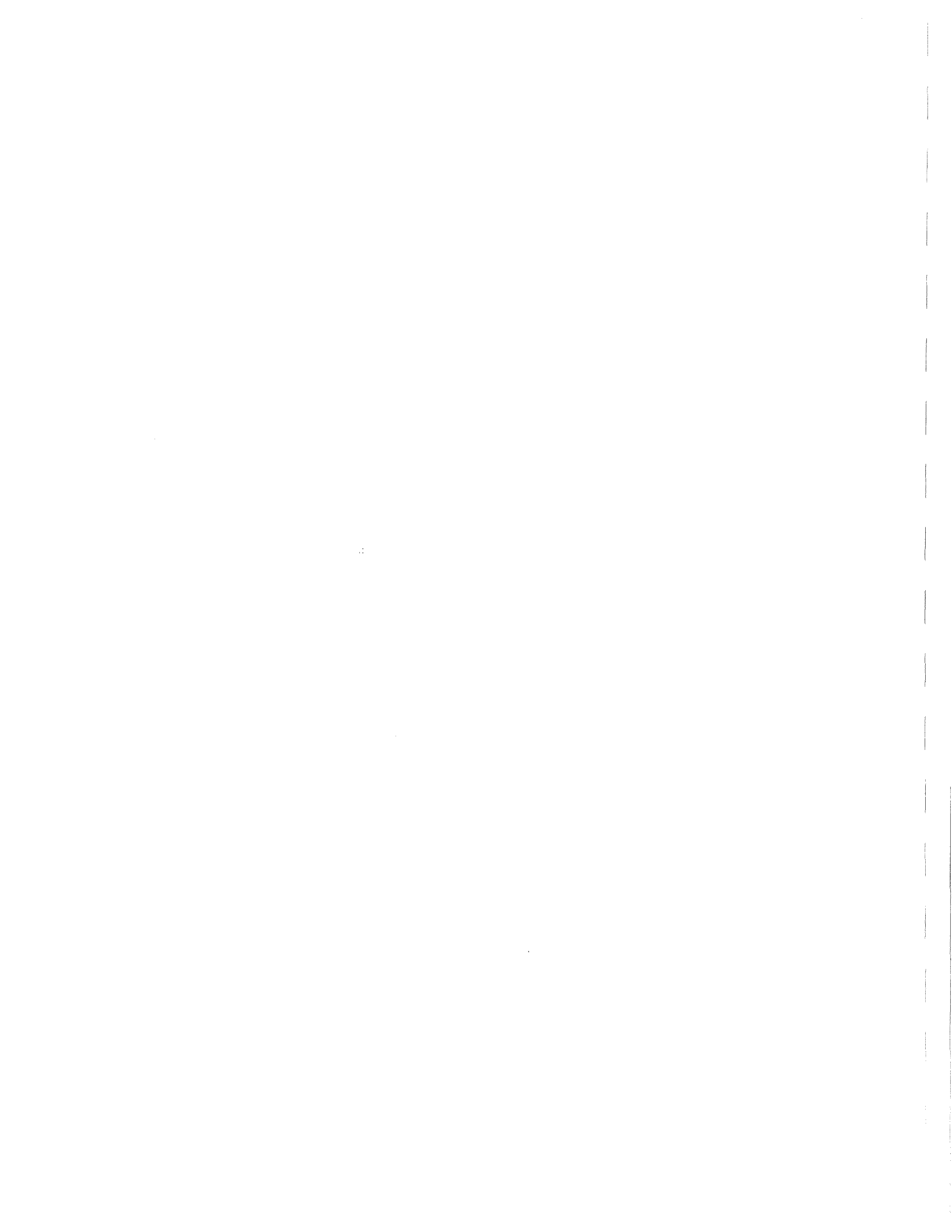
The Maine Rainy Day Fund, established in 1985 (see 5 M.R.S.A. §1513), is a General Fund reserve account intended to be used for the prepayment of outstanding General Fund bonds or for major construction (defined as a single project with a total cost of over \$500,000). Balances in the fund do not lapse; it is a carrying account. The money in the fund may be invested with any earnings credited to the fund. The statutory cap for the fund during fiscal year 1998 was 5% of the total General Fund revenue received in the immediately preceding fiscal year or \$93,154,315 based on fiscal year 1997 actual General Fund revenue.

The Maine Rainy Day Fund is capitalized in two ways. At the close of each fiscal year the State Controller is required to transfer from the unappropriated surplus of the General Fund, one-half of the excess of General Fund revenues received over accepted estimates for that fiscal year. The fund also receives funding when General Fund revenue estimates are adjusted. Accepted revenue estimates may be increased only if 1/2 of the increase is transferred to the fund at the same time (except that for the first year of a biennium, revenue estimates for the 2nd year of the biennium may be adjusted once during the 2nd Regular Session of the Legislature).

Table V-1 on the following page provides additional detail of the history of the Maine Rainy Day Fund and includes ending balances and the statutory caps at the end of each fiscal year.

History - Maine Rainy Day Fund

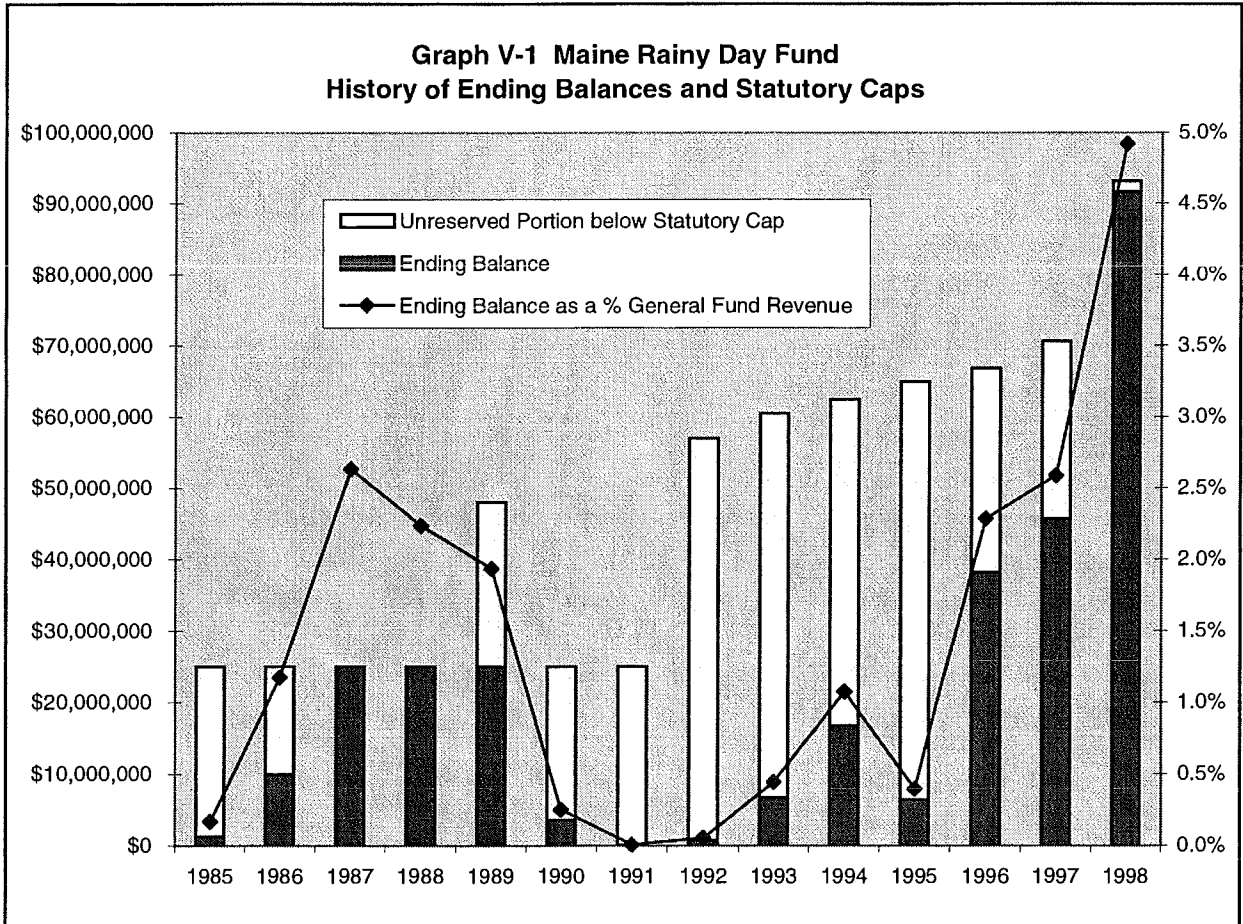
Enacted by PL 1985, c. 448 effective June 26, 1985, the fund was originally capped at \$25,000,000. PL 1987, c. 349, Part H authorized that, for the period starting June 30, 1988 and ending June 30, 1989, "the fund may exceed \$25,000,000 but not more than \$48,000,000" for payments to the Maine State Retirement System deemed appropriate as a result of a study of the system. PL 1991, c. 589, effective July 14, 1991, increased the cap to "not exceed 4% of the total General Fund revenues received in the immediately preceding fiscal year." PL 1997, c. 643, Part E, effective June 30, 1998, increased the cap from 4% to 5%. PL 1999, c. 401, Part GGG, increased the cap from 5% to 6% effective June 4, 1999.



**TABLE V-1 MAINE RAINY DAY FUND
History of Ending Balances and Statutory Caps**

Fiscal Year Ending June 30th	General Fund Revenue	Ending Statutory Cap	Ending Balance	Ending Balance as a % Prior Year General Fund Revenue
1985	\$848,218,341	\$25,000,000	\$1,303,556	0.2%
1986	\$948,570,406	\$25,000,000	\$9,969,161	1.2%
1987	\$1,117,804,254	\$25,000,000	\$25,000,000	2.6%
1988	\$1,291,702,852	\$25,000,000	\$25,000,000	2.2%
1989	\$1,430,615,011	\$48,000,000	\$25,000,000	1.9%
1990	\$1,379,458,165	\$25,000,000	\$3,595,563	0.3%
1991	\$1,424,084,700	\$25,000,000	\$82,473	0.0%
1992	\$1,512,463,098	\$56,963,388	\$756,513	0.1%
1993	\$1,561,402,638	\$60,498,524	\$6,713,842	0.4%
1994	\$1,623,888,486	\$62,456,106	\$16,765,494	1.1%
1995	\$1,671,736,430	\$64,955,539	\$6,422,240	0.4%
1996	\$1,766,400,759	\$66,869,457	\$38,240,859	2.3%
1997	\$1,863,086,302	\$70,656,030	\$45,724,219	2.6%
1998	\$1,974,614,603	\$93,154,315	\$91,690,842	4.9%

**Graph V-1 Maine Rainy Day Fund
History of Ending Balances and Statutory Caps**





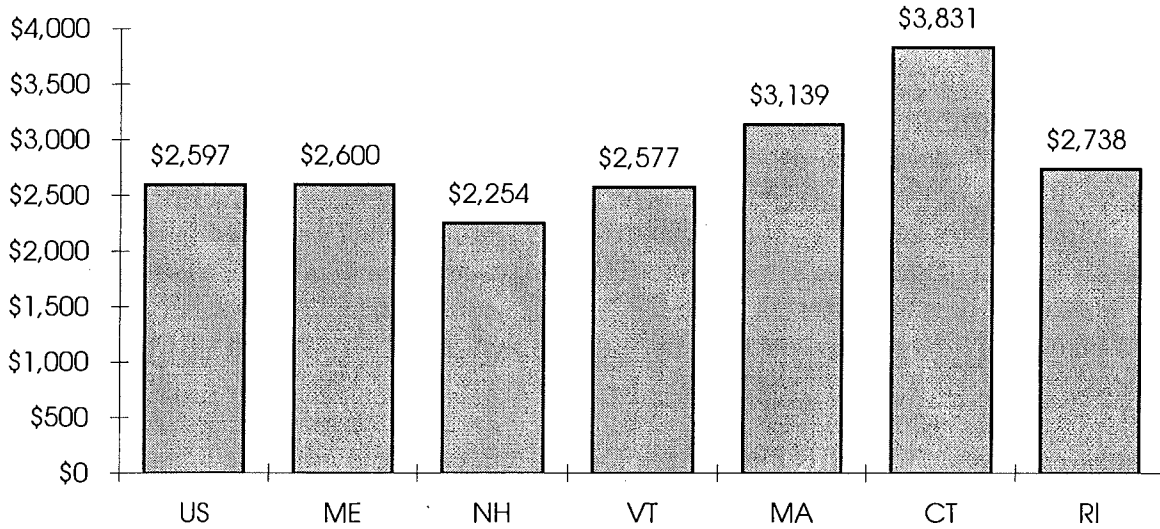
SECTION VI - STATE AND LOCAL TAX BURDENS

The following pages provide an analysis of Maine's state and local tax burdens. For the purposes of the compendium, tax burden is portrayed by 2 measures: taxes as a percent of personal income and taxes per capita. The analysis includes historical trends of Maine's tax burden using these measures and a comparison of Maine's state and local tax burdens with other New England states and the United States in aggregate.

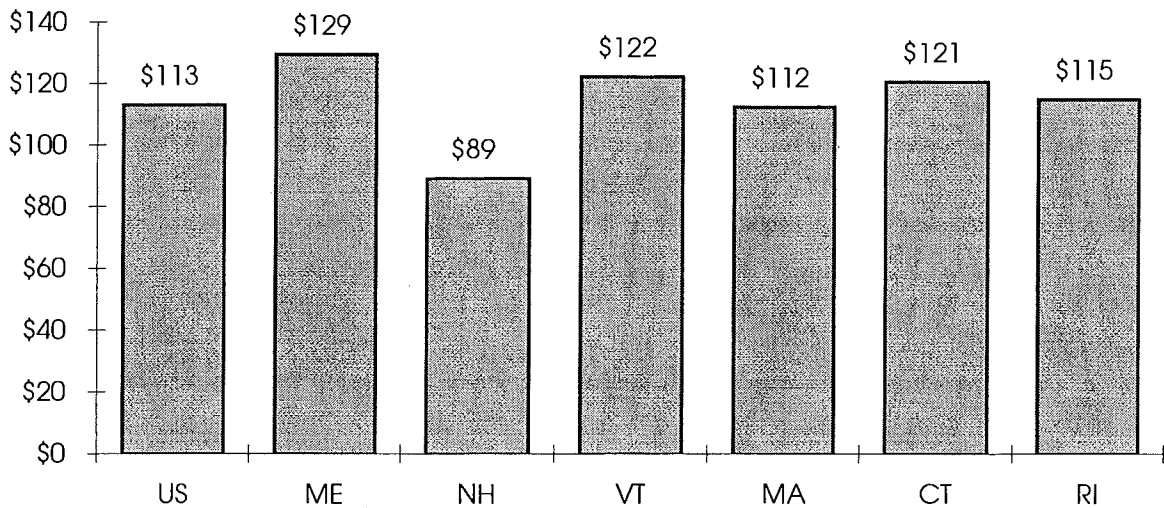
The "taxes" included in this analysis are all state and local taxes as well as most license fees and assessments. This definition of "taxes" mirrors that used by the United States Department of Commerce, Bureau of Census. The analysis breaks out the major broad based taxes (the income taxes, the sales and use taxes and local property taxes) and groups all other taxes and various license fees and assessments into an "Other Taxes" category. These taxes are then divided by Maine's personal income and population to develop taxes as a percentage of personal income and taxes per capita amounts. Personal income and population data are from the United States Department of Commerce, Bureau of Census.

The graphs on pages 68 to 71 compare Maine's tax burden to the other New England states and the United States in aggregate. The data for these graphs are based on taxes for fiscal year 1996, the most recent data available from the United States Department of Commerce, Bureau of Census. The graphs, in order, compare total state and local taxes, personal income taxes, sales taxes and property taxes as percentage of personal income and on a per capita basis. The graphs on pages 72 and 75 look at Maine's tax burden for these taxes over a 15-year period from fiscal year 1984 to fiscal year 1998.

**GRAPH VI-1 STATE & LOCAL TAX REVENUE
PER CAPITA - 1996**

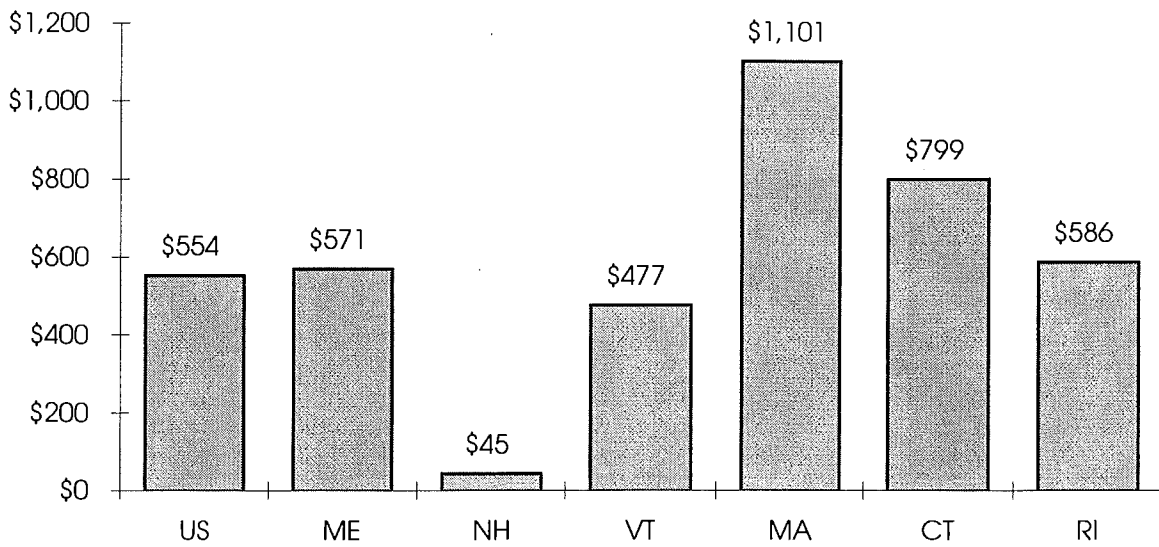


**GRAPH VI-2 STATE & LOCAL TAX REVENUE
PER \$1000 INCOME - 1996**

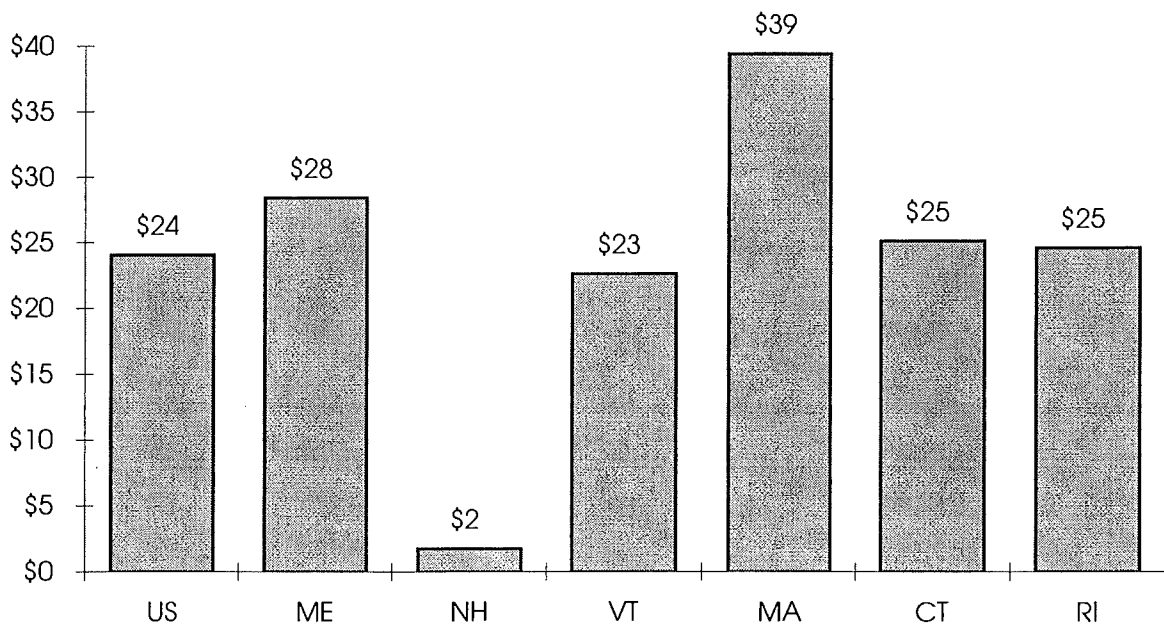


Source:
Bureau of Census, U.S. Department of Commerce

**GRAPH VI-3 PERSONAL INCOME TAX
PER CAPITA - 1996**

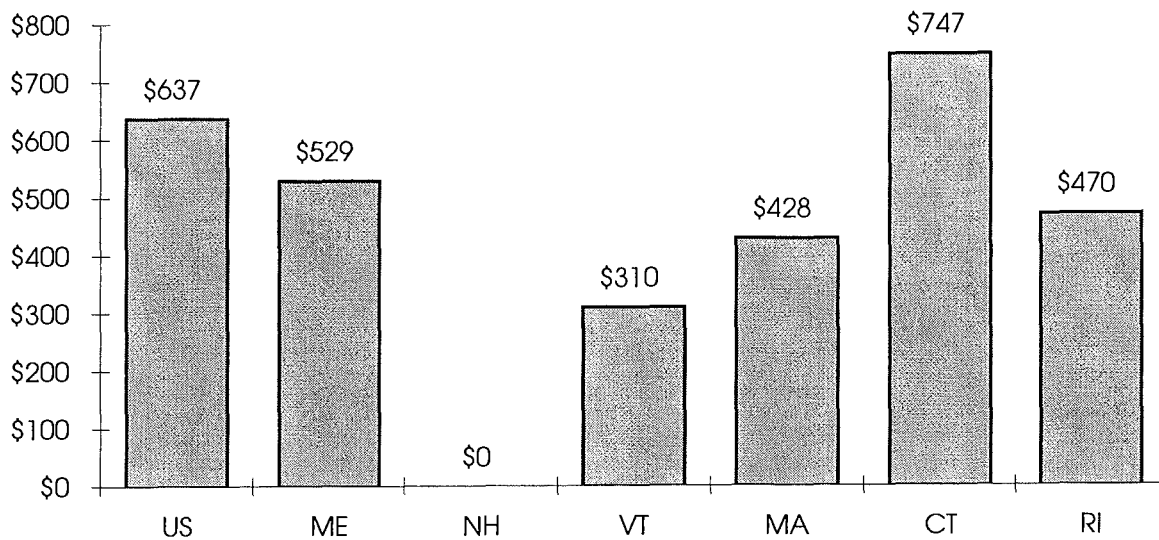


**GRAPH VI-4 PERSONAL INCOME TAX
PER \$1000 INCOME - 1996**

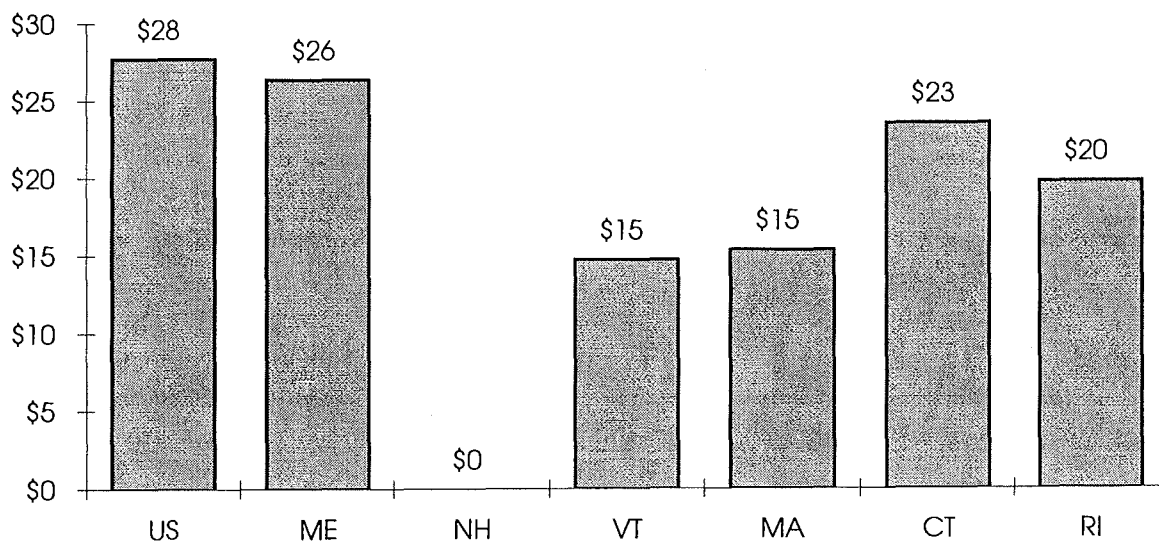


Source:
Bureau of Census, U.S. Department of Commerce

**GRAPH VI-5 SALES TAX
PER CAPITA - 1996**

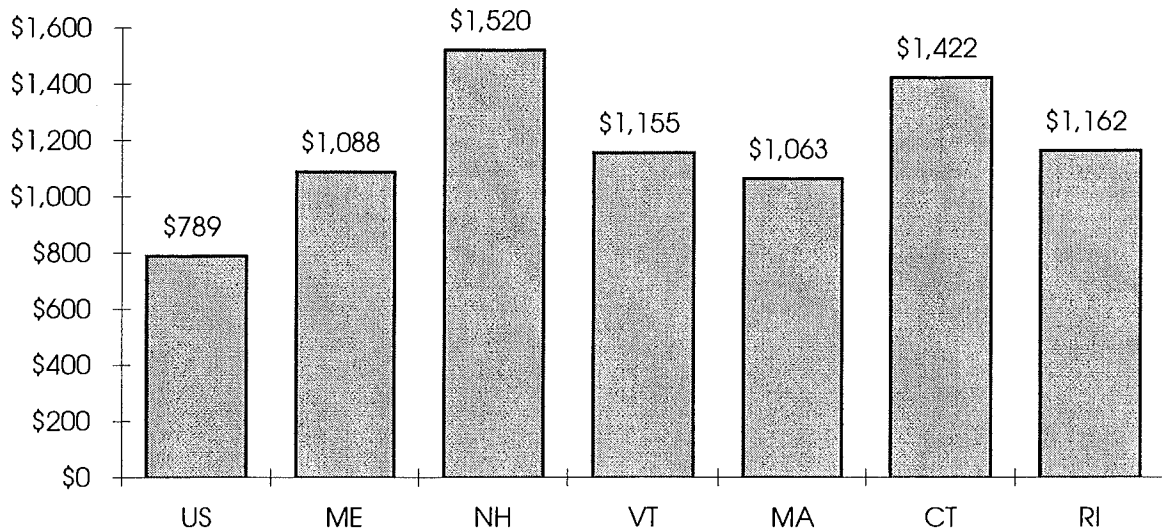


**GRAPH VI-6 SALES TAX
PER \$1000 INCOME - 1996**

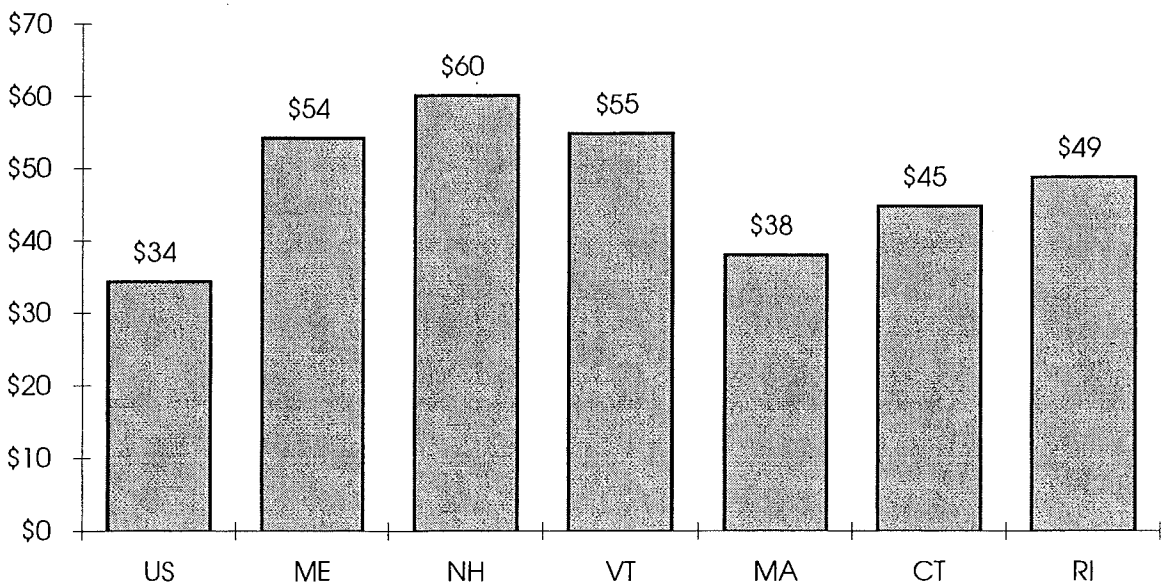


Source:
Bureau of Census, U.S. Department of Commerce

**GRAPH VI-7 PROPERTY TAX
PER CAPITA - 1996**

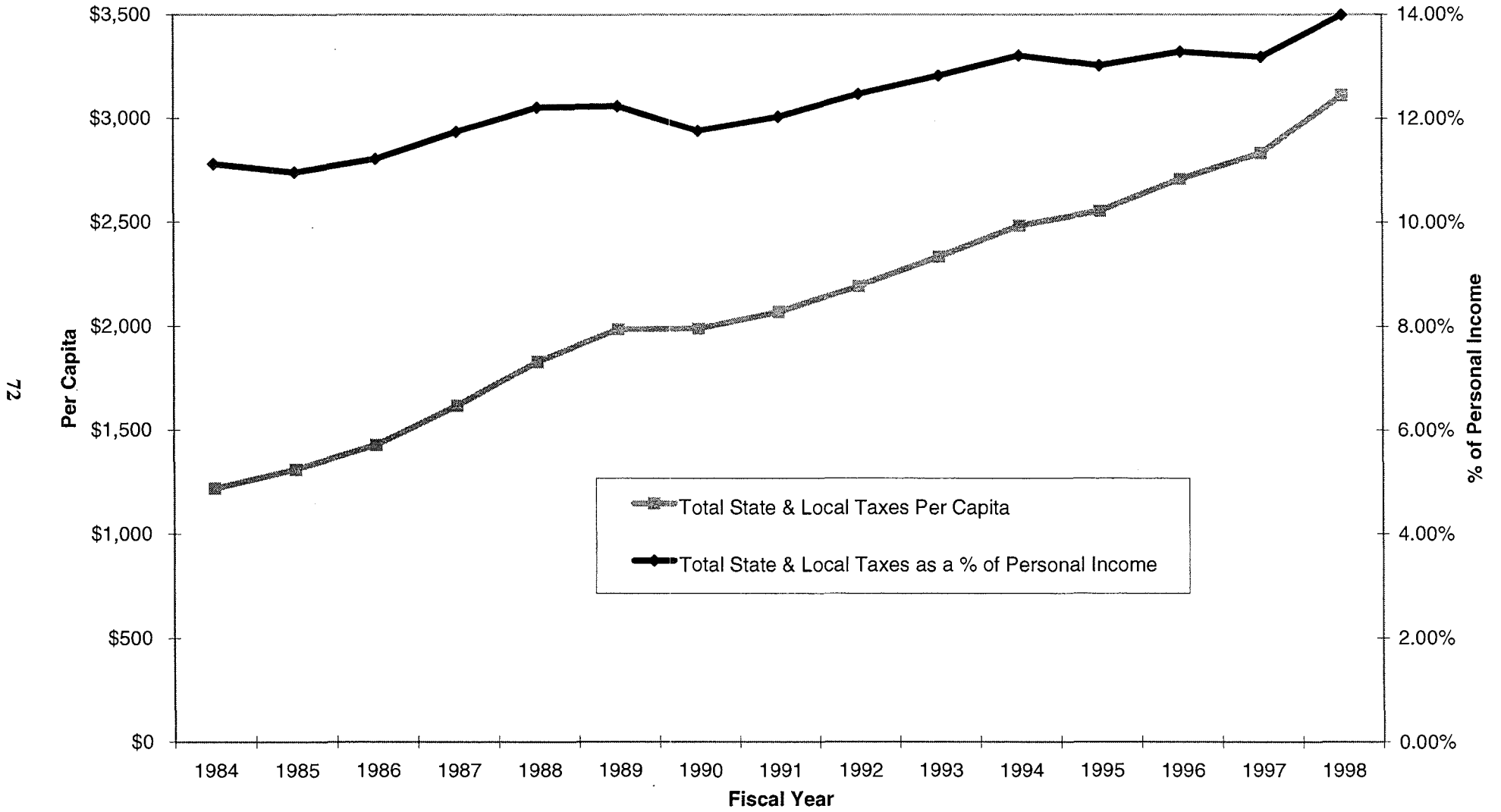


**GRAPH VI-8 PROPERTY TAX
PER \$1000 INCOME - 1996**

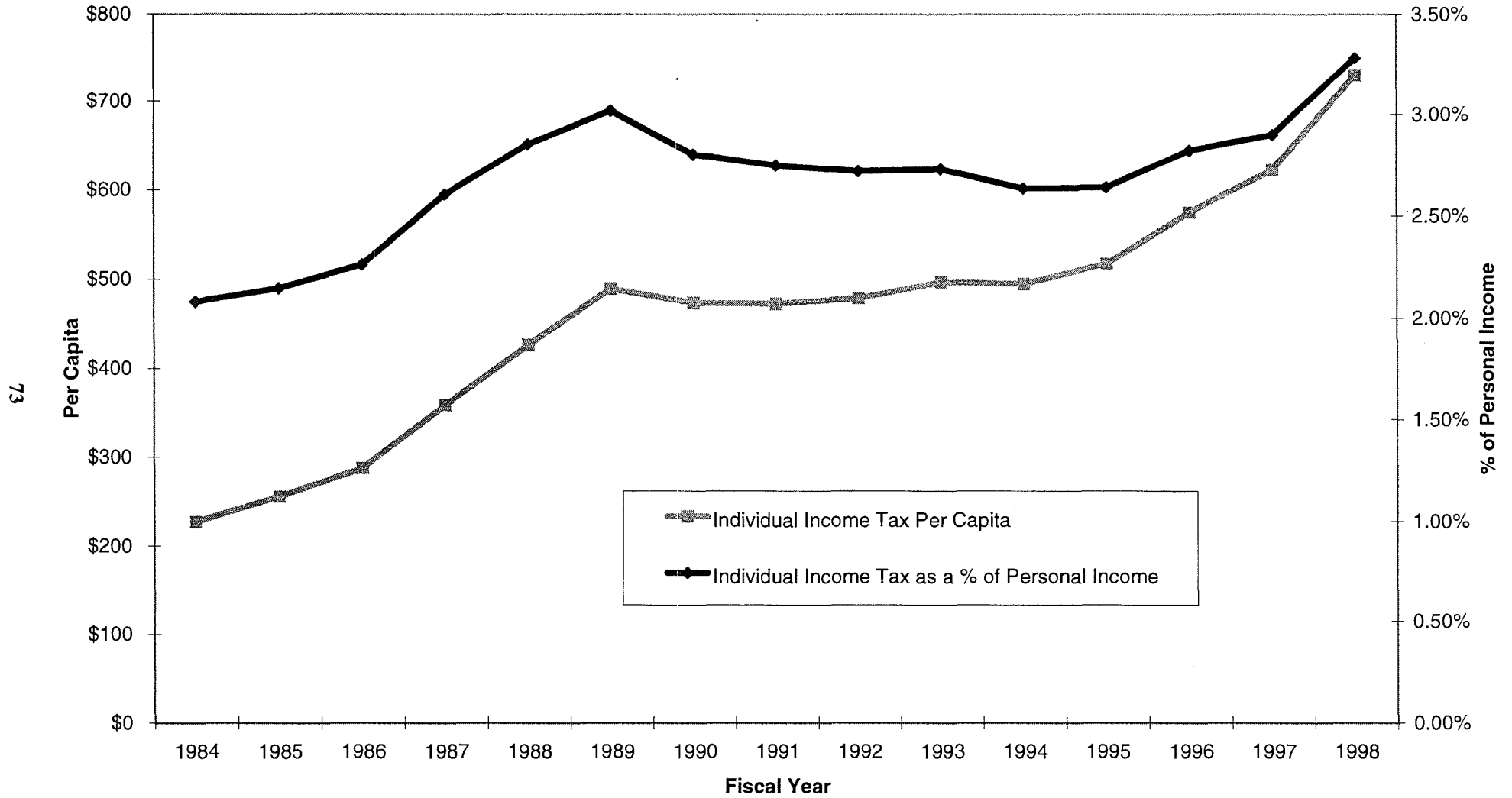


Source:
Bureau of Census, U.S. Department of Commerce

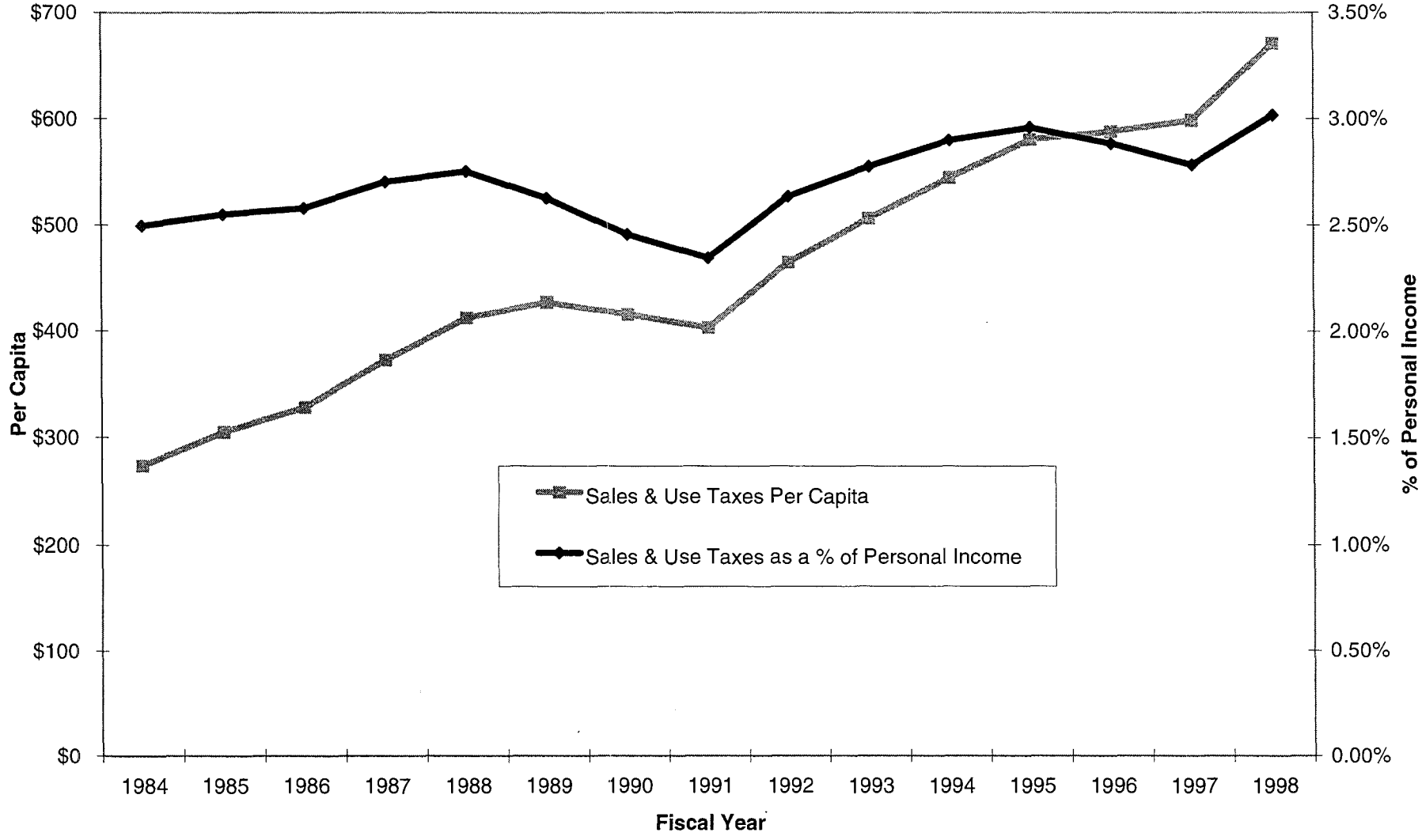
**Graph VI-9 Total State & Local Taxes
Per Capita & % of Personal Income
1984 to 1998**



**Graph VI-10 Individual Income Tax
Per Capita & % of Personal Income
1984 to 1998**



**Graph VI-11 Sales & Use Taxes
Per Capita & % of Personal Income
1984 to 1998**



**Graph VI-12 Property Taxes
Per Capita & % of Personal Income
1984 to 1998**

