



# STATE OF MAINE

## Compendium of State Fiscal Information

Through Fiscal Year  
Ending June 30, 2007

PREPARED BY

Pub.#39  
January 2008

Maine State Legislature  
Office of Fiscal  
and Program Review

**COMPENDIUM OF STATE FISCAL INFORMATION**  
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## 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 includes a summary of actual operating revenue and expenditures, descriptions of revenue sources, and summaries of Maine's debt, General Fund reserve fund balances and Maine's tax burden. The Office of Fiscal and Program Review hopes you find this information useful. Recent additions and changes to this report (see *What's New* at the end of this introduction) as part of efforts to improve its usefulness may result in some questions for those users who may be using this information for historical purposes. Questions regarding conversions of data or suggestions for improvements to this report 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, *Summary of Major Taxes and Revenue Sources*, provides brief summaries of the major taxes and revenue sources. Each summary includes a discussion of the current tax rates, current fees and assessments or a description of the types of revenue included in the category. Each major revenue source includes a table providing a 10-year history of the revenue generated. Most of the summaries 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 third section, *Revenues and Expenditures*, provides exhibits detailing revenues and expenditures of Maine State Government by major fund type. The fourth section, *Maine's Bonded Debt*, includes a summary of Maine's general obligation debt, debt of the Maine Governmental Facilities Authority and other tax supported debt. The fifth section provides a history of the major *General Fund Reserve Funds*, the Maine Budget Stabilization Fund (formerly the Maine Rainy Day Fund) and the Reserve for General Fund Operating Capital. The sixth and final section, *State and Local Tax Burdens*, provides a history of Maine's taxes per capita and as a percentage of personal income.

### **Accounting and State Fiscal Year**

The information in this report is presented on a budgetary basis, which summarizes all funds as they are recorded on the official accounting system maintained by the Office of the State Controller 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. At the end of fiscal year 1999, fuel taxes and, at the end of fiscal year 2000, several additional taxes became subject to accrual. Revenues from other sources are recognized when received and expenditures are recorded when paid. The following table summarizes the major taxes that are subject to accrual and the amounts accrued for the last 5 fiscal years.

**Table I-1 Major Revenue Accruals  
Fiscal Years 2003 - 2007**

<b>REVENUE SOURCE</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Income Taxes					
Individual Income Tax	\$60,819,780	\$45,868,113	\$49,841,992	\$51,758,860	\$58,382,364
Corporate Income Tax	\$2,483,700	\$1,169,580	\$1,500,000	\$1,800,000	\$3,300,000
Sales and Use Taxes	\$85,052,032	\$88,819,327	\$88,234,996	\$92,348,183	\$95,663,824
Service Provider Tax					
General Fund	\$0	\$0	\$4,351,569	\$3,895,006	\$4,262,070
Other Special Revenue Funds	\$0	\$0	\$0	\$0	\$0
Estate Tax	\$3,933,230	\$5,520,171	\$3,000,000	\$5,871,996	\$7,010,914
Tobacco Products Tax	\$324,000	\$317,169	\$450,000	\$500,000	\$542,156
Cigarette Tax	\$0	\$0	\$0	\$0	\$0
Telecommunications Personal Prop. Tax	\$29,097,186	\$27,903,428	\$25,004,898	\$20,627,030	\$18,171,425
Real Estate Transfer Tax	\$1,962,000	\$2,319,480	\$2,500,000	\$3,000,000	\$3,000,000
General Fund	\$981,000	\$1,159,740	\$1,250,000	\$1,500,000	\$1,500,000
Other Special Revenue Funds	\$981,000	\$1,159,740	\$1,250,000	\$1,500,000	\$1,500,000
Gasoline Tax	\$13,479,460	\$15,244,957	\$16,201,336	\$16,174,139	\$16,529,053
Special Fuel	\$5,400,000	\$3,682,938	\$4,516,027	\$4,637,224	\$5,853,002

Maine State Government's fiscal year runs from July 1<sup>st</sup> to June 30<sup>th</sup>. References to fiscal year throughout this report will use the year in which the fiscal year ends, i.e., fiscal year 2007 refers to the fiscal year ending June 30, 2007.

### **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 III provide a summary of total revenues and expenditures of these three major operating funds. An additional table has been included in this year's report, which provides a history of expenditures for all funds, see page 75.

### **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, Sales and Use Tax, Cigarette Tax and Corporate Income Tax. These four major taxes account for more than 90% of General Fund revenue. The Graph and Tables on pages 80 to 83 provide a summary of revenues and expenditures of the General Fund.

### **Highway Fund**

The Highway Fund is used to account for revenue derived from excise taxes and license and other fees 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 roughly 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 the Secretary of State (Bureau of Motor Vehicles). The Graph and Tables on pages 85 to 88 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 state's own source dedicated or special funds are segregated from the Federal Funds in this report and are referred to in this report as Other Special Revenue Funds. The Fund for a Healthy Maine (whose primary income source is Tobacco Settlement funds) is also included within this grouping. The graph and tables on pages 89 to 93 summarize the revenues and expenditures grouped under Other Special Revenue Funds. The revenue and expenditures of the Fund for a Healthy Maine are also detailed in 2 separate tables on page 93.

### **Federal Funds**

A major revenue source within the broader definition of Other Special Revenue Funds is derived from the federal government, including federal matching funds and block grants. This report separates out these Federal Funds (Federal Expenditures Fund and Federal Block Grant Fund) from the state's own source Other Special Revenue Funds. For the purposes of this report, the Federal Expenditures Fund and the Federal Block Grant Fund will be referred to as "Federal Funds." The graphs and tables on pages 94 to 97 summarize the revenue and expenditures of the Federal Funds.

### **Other Funds**

In addition to the 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 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. The table on page 75 provides a history of expenditures in these "non-operating" funds. Debt Service Funds and Internal Service Funds are included in this exhibit and are sub-totaled separately, but are excluded from the Total State Expenditures to avoid double-counting certain expenditures.

## **Sources**

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

- State Controller's records and reports;
- State Treasury reports;
- The Maine Revised Statutes Annotated;
- State Planning Office;
- Various state departments and agencies; and
- The U.S. Department of Commerce.

## **What's New**

Last year's Compendium of State Fiscal Information added the following:

- 10-year revenue histories in Section II with the descriptions of the major revenue sources;
- A new table providing historical data on all state expenditures by fund, in addition to the Operating Fund exhibits; and
- New tables segregating Other Special Revenue Funds in Section III into 2 groups, one for Federal Funds and one for state own-source funds.

This year's report includes the following changes:

- Section V that provides a history of the Maine Budget Stabilization Fund has been expanded to include the other major General Fund reserve fund, the Reserve for General Fund Operating Capital.
- Section VI has been expanded to include a new graph depicting an inflation-adjusted history of Maine's tax burden per capita.



## SECTION II – SUMMARY OF MAJOR TAXES AND REVENUE SOURCES

This section contains summaries of the major tax and revenue sources. The summaries identify the tax base for each tax or the persons or entities required to pay each of the major license fees or assessments as of June 30, 2007. For those revenue sources that are not considered taxes, fees or assessments, a discussion or description of the major contributions are provided. The summaries also include a revenue history by fund of these categories. Most of these summaries also include a statutory history showing dates of adoption and the major amendments to the tax, fee or assessment.

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

A tax is imposed for each taxable year on the Maine taxable income of every resident individual, estate and trust of 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 II-1 on page 7 provides a summary of 2007 individual income tax schedules, personal exemptions 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.

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

#### **Individual Income Tax**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$907,981,057	\$0	\$907,981,057
1999	\$1,004,937,795	\$0	\$1,004,937,795
2000	\$1,074,622,161	\$2,298,681	\$1,076,920,843
2001	\$1,167,749,567	\$2,128,874	\$1,169,878,441
2002	\$1,069,834,791	\$2,975,316	\$1,072,810,107
2003	\$1,071,701,694	\$3,124,465	\$1,074,826,159
2004	\$1,156,715,909	\$3,312,152	\$1,160,028,060
2005	\$1,296,255,557	\$2,996,659	\$1,299,252,216
2006	\$1,364,368,543	\$4,558,216	\$1,368,926,759
2007	\$1,464,928,346	\$4,367,042	\$1,469,295,388

**Revenue Notes – Individual Income Tax** – Individual income tax collections accrue to the General Fund. At the end of each month 5.1% (increasing to 5.2% July 1, 2009) of this revenue is reserved for transfer to the Local Government Fund for municipal revenue sharing. The amounts in Other Special Revenue Funds are revenue set aside for reimbursement to contractors/collection agencies under 36 M.R.S.A. §113. Individual income tax revenue began year-end accruals of revenue in fiscal year 1996. The amounts presented above are the gross amounts before the reductions for municipal revenue sharing and the transfers for tax relief programs described below.

**History – Individual Income Tax**

Adopted 1969. Originally effective on July 1, 1969, for individuals, estates and trusts. Amended numerous times since enactment to alter the tax rates and other provisions. For individuals and fiduciaries, the tax rate brackets, standard deduction and personal exemption were made subject to indexing for inflation beginning in 1983 for each year except tax years 1988 and 1989. For tax years 1992 through 1999 the tax rate brackets and personal exemption were not adjusted for inflation because the inflation factor was less than 1.000. Beginning in 1989, the standard deduction is the same as the federal standard deduction except that for tax years beginning in 2003 and thereafter, federal increases to the standard deduction for married filers were not adopted. Amended in 1998 to increase the personal exemption to \$2,400 in 1998 and \$2,750 in 1999 and indexed in subsequent years. Amended in 1999 to increase the personal exemption to \$2,850 in 2000 and subsequent years and repeal the indexing of the personal exemption.

**INDIVIDUAL INCOME TAX – TAX RELIEF PROGRAM TRANSFERS – 36 M.R.S.A. §6203-A & §6656**

Beginning in fiscal year 2005, amounts representing the cost of property tax relief payments to individuals under the Maine Residents Property Tax Program (also known as the circuit breaker program) are transferred from individual income tax revenue to the “Circuit Breaker reserve” to pay benefits certified under that program. Prior to fiscal year 2005, benefits were paid from General Fund appropriations for that purpose.

Beginning in fiscal year 2006, amounts representing the cost of business personal property tax reimbursement payments under the Business Equipment Tax Reimbursement (BETR) program are transferred from individual income tax revenue to the “Business Equipment Tax Reimbursement reserve” to pay benefits under the BETR program.

**Individual Income Tax – Tax Relief Program Transfers**

Fiscal Year	General Fund	General Fund	Total All Funds
	Circuit Breaker Transfers	BETR Program Transfers	
2005	(\$26,030,227)	\$0	(\$26,030,227)
2006	(\$42,796,070)	(\$67,065,810)	(\$109,861,880)
2007	(\$44,440,759)	(\$66,553,092)	(\$110,993,852)

**Revenue Notes – Individual Income Tax – Tax Relief Program Transfers**

For budgetary accounting purposes, the transfers to the tax relief programs are deducted from Individual Income Tax revenue prior to the calculation of the transfer to revenue sharing so that these transfers reduce the transfers for municipal revenue sharing by 5.1% of the amount of the gross transfers.

**History – Individual Income Tax – Tax Relief Program Transfers**

The Circuit Breaker transfer mechanism was enacted by PL 2003, chapter 673, Part BB, effective for fiscal year 2005. The BETR program transfer mechanism was enacted by PL 2005, chapter 12, Part BBB, effective for fiscal year 2006.

**Table II-1 State of Maine – Individual Income Tax – 2007 Rates**  
**2007 Cost-of-living adjustment is 1.1365**

**Note: The 2007 tax rate schedule dollar bracket amounts are adjusted by multiplying the cost-of-living adjustment, 1.1365, by the dollar amounts of the tax rate tables specified in 36 M.R.S.A. §5111 subsections 1-B, 2-B and 3-B (see 36 M.R.S.A. §5403). The personal exemption amount is not subject to the inflation adjustment for tax year 2007.**

**Tax Rate Schedule #1**

**FOR SINGLE INDIVIDUALS AND MARRIED PERSONS FILING SEPARATE RETURNS**

If the taxable income is:	The tax is:
Less than \$4,750	2.0% of the taxable income
\$4,750 but less than \$9,450	\$95 plus 4.5% of excess over \$4,750
\$9,450 but less than \$18,950	\$307 plus 7.0% of excess over \$9,450
\$18,950 or more	\$972 plus 8.5% of excess over \$18,950

**Tax Rate Schedule #2**

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

If the taxable income is:	The tax is:
Less than \$7,150	2.0 of the taxable income
\$7,150 but less than \$14,200	\$143 plus 4.5% of excess over \$7,150
\$14,200 but less than \$28,450	\$460 plus 7.0% of excess over \$14,200
\$28,450 or more	\$1,458 plus 8.5% of excess over \$28,450

**Tax Rate Schedule #3**

**FOR MARRIED INDIVIDUALS AND SURVIVING SPOUSES FILING JOINT RETURNS**

If the taxable income is:	The tax is:
Less than \$9,500	2.0% of the taxable income
\$9,500 but less than \$18,950	\$190 plus 4.5% of excess over \$9,500
\$18,950 but less than \$37,950	\$615 plus 7.0% of excess over \$18,950
\$37,950 or more	\$1,945 plus 8.5% of excess over \$37,950

**PERSONAL EXEMPTION:** \$2,850

**STANDARD DEDUCTION:**

Single - \$5,350	Married Filing Jointly - \$8,900
Head-of-Household - \$7,850	Married Filing Separate - \$4,450

**Additional Amount for Age or Blindness:**

\$1,050 if married (whether filing jointly or separately) or a qualified surviving spouse. The additional amount is \$2,100 if one spouse is 65 or over and blind, \$2,100\* if both spouses are 65 or over, \$4,200\* if both spouses are 65 or over and blind, etc.

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

\$1,300 if unmarried (single or head-of-household). The additional amount is \$2,600 if the individual is both 65 or over and blind.

Note: If taxpayer can be claimed as a dependent on another person's return, the standard deduction is the greater of \$850 or earned income plus \$300 (up to the standard deduction amount).

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

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 insurance 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 before 2007, Maine net income was determined by apportioning the modified federal taxable income according to a formula using payroll, property and sales (double-weighted). Beginning in 2007, modified federal taxable income is apportioned based on the percentage of the taxpayer's sales in Maine. The income of mutual fund service providers is also apportioned based only on sales. Tax rates are progressive from 3.5% to 8.93% (see table below). A taxable corporation that is a member of an affiliated group operating in a unitary fashion must file a combined report.

### **Corporate Tax Rates**

<b>If the taxable income is:</b>	<b>The tax rate is:</b>
\$ 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%

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**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$107,375,484	\$0	\$107,375,484
1999	\$144,942,751	\$0	\$144,942,751
2000	\$150,045,645	\$0	\$150,045,645
2001	\$96,102,796	\$180,000	\$96,282,796
2002	\$77,366,103	\$0	\$77,366,103
2003	\$91,188,393	\$0	\$91,188,393
2004	\$111,616,051	\$0	\$111,616,051
2005	\$135,862,913	\$0	\$135,862,913
2006	\$188,015,558	\$0	\$188,015,558
2007	\$183,851,533	\$0	\$183,851,533

#### **Revenue Notes – Corporate Income Tax**

Corporate income tax collections accrue to the General Fund. At the end of each month, 5.1% (increasing to 5.2% July 1, 2009) of this revenue is reserved for transfer to the Local Government Fund for municipal revenue sharing. In fiscal year 2001, the Other Special Revenue amounts reflects the revenue set aside for reimbursement to contractors/collection agencies under 36 M.R.S.A. §113. Corporate income tax revenue began year-end accruals of revenue in fiscal year 2000.

#### **History – Corporate Income Tax**

Adopted 1969. Originally effective January 1, 1969. Amended numerous times since enactment to alter the tax rates and other provisions. Amended by PL 2007, c. 240, Part V to change the apportionment formula.

## **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 had a substantial physical presence in the state and which at any time during the taxable year realized Maine net income or had Maine assets. Beginning in 2006, financial institutions may choose to pay the franchise tax comprised of two parts: (1) one percent of Maine net income and (2) 8¢ per \$1,000 of Maine assets or to pay franchise tax at the rate of 39¢ per \$1,000 of Maine assets with no assessment based on Maine net income. A financial institution that is a member of an affiliated group operating in a unitary fashion must file a combined report.

### **Revenue Notes – Franchise Tax on Financial Institutions**

The franchise tax on financial institutions is collected as part of the corporate income tax filing process and accrues to the General Fund with 5.1% (increasing to 5.2% July 1, 2009) transferred to the Local Government Fund for municipal revenue sharing. Revenue from this tax is included under Corporate Income Tax. Separate detail is not available.

### **History – Franchise Tax on Financial Institutions**

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

## **SALES AND USE TAXES – 36 M.R.S.A. chapters 211-225**

Sales Tax – The sales tax is imposed at the rate of 5% of the sale price on retail sales of tangible personal property and the taxable services of transmission and distribution of electricity, prepaid calling arrangements and long-term automobile rentals or leases; at 7% on temporary rentals of living quarters in hotels, rooming houses, tourist and trailer camps, the sale of liquor by the drink and prepared food; and at 10% on the short-term rental of automobiles. The tax is also imposed on casual sales of motor vehicles, camper trailers, truck campers, livestock trailers, special mobile equipment, boats and aircraft. Sales of new manufactured housing (mobile homes and modular homes) are subject to the 5% tax, usually at 50% of the selling price. Beginning July 1, 2004, other services formerly taxed under the sales tax are taxed under the service provider tax described below.

Use Tax – The use tax is imposed at the same rate as the sales tax on the sale price of tangible personal property and taxable services purchased at retail sale beyond the collection jurisdiction of the state 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 that 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.

### Sales and Use Taxes

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
1998	\$833,755,683	(\$12)	\$833,755,672
1999	\$814,321,914	(\$7)	\$814,321,907
2000	\$847,355,504	\$2,483	\$847,357,987
2001	\$817,781,460	\$279,134	\$818,060,594
2002	\$836,134,084	(\$1)	\$836,134,082
2003	\$857,486,801	\$8,355	\$857,495,156
2004	\$917,243,245	\$5,193	\$917,248,437
2005	\$896,576,322	\$23,091	\$896,599,413
2006	\$946,174,276	\$8,510	\$946,182,786
2007	\$971,455,721	\$97	\$971,455,818

#### Revenue Notes – Sales and Use Taxes

Sales and Use Tax collections accrue primarily to the General Fund. At the end of each month, 5.1% (increasing to 5.2% July 1, 2009) of this revenue is reserved and transferred to the Local Government Fund for municipal revenue sharing. The Other Special Revenue Funds amounts represent transfers to the Passamaquoddy Sales Tax Fund and transfers for collections agency costs pursuant to 36 M.S.R.A. §113. Some small amounts represent adjustments for sales taxes collected by state agencies. Sales and Use Tax revenue began year-end accruals of revenue in fiscal year 1998.

#### History – Sales and Use Taxes

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

#### Sales Tax Rate History

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

\* Included in general rate

\*\* Liquor served by drink taxed at 10% from 12/1/89 to 8/1/91

\*\*\* Definition of taxable “meals” has been amended from time to time.

**History – Sales and Use Taxes (continued)**

Amended to include taxation of the following services:

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

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

Amended many times since enactment to add or repeal exemptions. The 6% tax rate was reduced to 5 ½% on October 1, 1998 pursuant to the operation of 36 M.R.S.A. §1811. PL 1999, c. 698 repealed tax on snack food effective August 11, 2000. PL 2001, c. 439, Part TTTT set the rate on all prepared food at 7% beginning October 1, 2001. PL 2001, c. 439, Part UUUU established the Tourism Marketing Promotion Fund within the Department of Economic and Community Development, Office of Tourism, which requires, effective July 1, 2003, that 5% of the 7% sales tax revenue collected in the prior fiscal year on sales of meals and lodging, after the reduction for transfers to the Local Government Fund, be transferred to the Tourism Marketing Promotion Fund. PL 2003, c. 673, Part V transferred taxation of most services to the Service Provider Tax beginning July 1, 2004.

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

The service provider tax is imposed at the rate of 5% on the value of the following services sold in this state: 1) extended cable television services; 2) fabrication services; 3) rental of video media and video equipment; 4) rental of furniture, audio media and audio equipment pursuant to a rental-purchase agreement as defined in Title 9-A, section 11-105; 5) telecommunication services; 6) installation, maintenance or repair of telecommunications equipment; 7) private nonmedical institution services (PNMI's); 8) community support services; 9) day habilitation services; 10) personal support services; and 11) residential training services.

**Service Provider Tax**

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
2005	\$44,645,517	\$15,535,099	\$60,180,616
2006	\$47,028,430	\$30,960,179	\$77,988,609
2007	\$49,400,532	\$33,955,412	\$83,355,944

**Revenue Notes – Service Provider Tax**

Service provider tax revenues from above-listed services 1 to 6 accrue to the General Fund. At the end of each month, 5.1% (increasing to 5.2% July 1, 2009) of this revenue is reserved and transferred to the Local Government Fund for municipal revenue sharing. (See page 12 for more detail on these transfers.) Service provider tax revenues from above-listed items 7 to 11 accrue to Other Special Revenue Funds accounts in the Department of Health and Human Services and are used to fund MaineCare services, with a part of the proceeds of the tax used to replace General Fund appropriations for these purposes. The General Fund portion of the Service Provider Tax has been subject to year-end accrual since its implementation.

**History – Service Provider Tax**

Enacted in PL 2003, c. 673, Part V effective July 1, 2004. Above-listed services 1 to 6 were formerly taxed under the sales and use tax. Amended in 2005 to include community support services (PL 2005, c. 12, Part VV) and day habilitation services, personal support services and residential training services (PL 2005, c. 386, Part S).

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

Transfers are made on the last day of 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%, increasing to 5.2% on July 1, 2009, 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, a portion of the service provider tax and the sales and use taxes are transferred. The amounts in the Local Government Fund are distributed to municipalities on the 20<sup>th</sup> day of each month based on a formula factoring in property tax burden and population. An annual growth ceiling is established for the Local Government Fund equal to \$100,000,000 for fiscal year 2005-06, adjusted for inflation. Amounts exceeding the annual growth ceiling are transferred to the Disproportionate Tax Burden Fund, which is also referred to as “Revenue Sharing II,” and distributed to municipalities with property tax mill rates over 10 mills based on a formula factoring in population and the portion of the property tax mill rate that exceeds 10 mills.

**State-Municipal Revenue Sharing**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	(\$94,304,723)	\$89,495,308	(\$4,809,415)
1999	(\$98,997,466)	\$111,924,140	\$12,926,674
2000	(\$105,673,142)	\$105,697,654	\$24,513
2001	(\$106,163,291)	\$105,733,382	(\$429,909)
2002	(\$101,150,084)	\$101,150,084	\$0
2003	(\$103,039,221)	\$103,039,221	\$0
2004	(\$111,464,335)	\$111,469,714	\$5,378
2005	(\$119,712,814)	\$119,712,814	\$0
2006	(\$124,222,180)	\$124,222,180	\$0
2007	(\$130,490,756)	\$130,069,834	(\$420,922)

**Revenue Notes – Transfers for Municipal Revenue Sharing**

The General Fund column shows the amounts reserved and netted out of General Fund revenue from individual income tax, corporate income tax, franchise tax on financial institutions, sales and use taxes and a portion of the service provider tax. The Other Special Revenue Funds column shows the amounts transferred to the Local Government Fund. Prior to fiscal year 1999, the amounts in these tables were 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. Effective in fiscal year 1999, the State Controller began recording transfers to the Local Government Fund during the same month in which the amounts were reserved in the General Fund. In fiscal year 1999, this represented a one-time increase of revenue to the Local Government Fund of \$15,746,438; the change did not affect the timing or the amount of payments to municipalities. Prior to fiscal year 1999, 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. After fiscal year 1999, the difference represents adjustments to prior period revenue that affect these transfers.



### **History – Transfers for Municipal Revenue Sharing**

First implemented by PL 1971, c. 478. For fiscal years 1972 and 1973, the distributions were provided by appropriations of \$2,900,000 and \$3,700,000, respectively. Beginning July 1, 1973, 4% of the collections of the individual income tax, corporate income tax, franchise tax on financial institutions and sales and use taxes were set aside for distribution to municipalities. PL 1981, c. 522, effective July 1, 1983, required in addition to the 4% that \$237,000 of sales and use tax receipts be transferred monthly to the Local Government Fund for municipal revenue sharing. Amended by PL 1983, c. 855 to increase the percentage from 4% to 4.75%, effective June 30, 1984, and to increase the percentage again from 4.75% to 5.1%, effective July 1, 1985. PL 1991, c. 780, part Q, effective August 1, 1992, eliminated the provision requiring the transfer of the \$237,000 per month or \$2,844,000 annually from sales and use tax receipts. The transfers to the Local Government Fund were suspended for 6 months in fiscal year 1992 to achieve approximately \$32.5 million in additional General Fund revenue. This suspension was partially offset by a General Fund appropriation of \$14,400,000 in the same fiscal year. PL 2001, c. 559, Part G postponed to May 1, 2003 the increase to 5.2% originally schedule for January 1, 2003 by PL 2001, c. 439, Part OO. PL 2001, c. 714, Part Y further postponed the increase to 5.2% until July 1, 2003. PL 2003, c. 20, Part W further postponed the increase to 5.2% until July 1, 2005. PL 2005, c. 12, Part E postponed the increase to 5.2% until July 1, 2007. PL 2005, c. 2, Part H rebased the annual growth ceiling on the Local Government Fund. PL 2007, c. 240, Part S postponed the increase to 5.2% until July 1, 2009.

### **ESTATE TAX – 36 M.R.S.A. c.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. For deaths occurring before January 1, 2002, 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 to other states, provided that the allowance for such taxes may not exceed that percentage of the federal tax credit which the other states' portion of the estate is to the total estate. Beginning in 2002, the federal estate tax and the federal credit for state death taxes were phased out. The federal credit was reduced to 75% in 2002, 50% in 2003, 25% in 2004 and completely eliminated beginning in 2005. For deaths occurring after 2002, the Maine estate tax is equal to the tax that would be owed using the formula for calculating the federal credit for state death taxes in effective on December 31, 2002 (exclusive of any reduction in the maximum credit amount) and based on the unified credit amount as of December 31 2000, \$1,000,000 for deaths in or after 2006. 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.

#### **Estate Tax**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$34,335,598	\$6,200,000	\$40,535,598
1999	\$29,768,114	\$0	\$29,768,114
2000	\$58,803,666	\$0	\$58,803,666
2001	\$30,616,759	\$0	\$30,616,759
2002	\$23,420,240	\$0	\$23,420,240
2003	\$30,520,320	\$0	\$30,520,320
2004	\$32,075,501	\$0	\$32,075,501
2005	\$32,255,727	\$0	\$32,255,727
2006	\$75,330,514	\$0	\$75,330,514
2007	\$54,820,038	\$0	\$54,820,038

**Revenue Notes – Estate Tax**

Estate Tax collections accrue to the General Fund with the exception of a one-time transfer of \$6,200,000 in fiscal year 1998 to a dedicated account, the Children’s Health Reserve Account, that was established by PL 1997, c. 560, Part C. The Estate Tax began year-end accruals at the end of fiscal year 2000.

**History – Estate Tax**

Adopted 1927. The current Maine estate tax was enacted in 1981 to replace previous estate tax based on federal credit for state death taxes beginning with deaths occurring after June 30, 1986. An additional inheritance tax was phased out between 1981 and 1986. Amended in PL 2001, c. 559, Part GG to calculate Maine estate tax under the formula in effect before federal reductions. Amended in PL 2003, c. 20, Part JJ to extend that treatment through 2004. Amended in PL 2003, c. 673, Part D to extend nonconformity with federal changes.

**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 is 100 mills per cigarette or \$2.00 per pack.

**Cigarette Tax**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$42,875,264	\$28,845,919	\$71,721,183
1999	\$74,858,953	\$3,500,000	\$78,358,953
2000	\$74,933,325	\$0	\$74,933,325
2001	\$74,357,622	\$0	\$74,357,622
2002	\$94,081,937	\$0	\$94,081,937
2003	\$94,397,943	\$0	\$94,397,943
2004	\$92,625,638	\$0	\$92,625,638
2005	\$91,906,017	\$0	\$91,906,017
2006	\$151,497,467	\$0	\$151,497,467
2007	\$152,957,212	\$0	\$152,957,212

**Revenue Notes – Cigarette Tax**

Revenue from the Cigarette Tax accrues primarily to the General Fund. This tax began year-end accrual of revenue in fiscal year 2000. PL 1997, c. 560, Part A doubled the tax to 37 mills per cigarette or 74¢ per package of 20 and dedicated the revenue to the Tobacco Tax Relief Fund (22 M.R.S.A. §1546) effective November 1, 1997. It also required revenue transfers out of the Other Special Revenue Tobacco Tax Relief Fund to support allocations made to the Tobacco Prevention and Control program within the Department of Health and Human Services and transfers to the General Fund in amounts equal to the budgeted amount of Cigarette Tax revenue in fiscal years 1998 and 1999.

**History – Cigarette Tax**

Adopted 1941. PL 1941, c. 298, sec. 20 stated that the revenue generated by the tax was appropriated for the payment of old age assistance, less any expenses incurred in assessing the tax. PL 1945, c. 297 provided that the revenue generated from the tax be credited to the General Fund. The table below summarizes the cigarette tax rate changes.

**Cigarette Tax Rate History Table**

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

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

A tax is imposed on all tobacco products, other than cigarettes, produced or imported for sale in Maine. The tax does not apply to tobacco products exported from the state. The tax rate for smokeless tobacco, including chewing tobacco and snuff, is 78% of the wholesale sales price. The tax rate for other tobacco, including cigars, pipe tobacco and other tobacco intended for smoking, is 20% of the wholesale sales price.

**Tobacco Products Tax**

Fiscal Year	General Fund	Total All Funds
1998	\$2,649,058	\$2,649,058
1999	\$2,891,201	\$2,891,201
2000	\$3,409,846	\$3,409,846
2001	\$3,144,209	\$3,144,209
2002	\$3,517,662	\$3,517,662
2003	\$4,016,527	\$4,016,527
2004	\$3,979,008	\$3,979,008
2005	\$4,444,687	\$4,444,687
2006	\$5,453,903	\$5,453,903
2007	\$5,996,254	\$5,996,254

**Revenue Notes – Tobacco Products Tax**

Revenue from the Tobacco Products Tax accrues to the General Fund. Year-end accrual of revenue for this tax began at the end of fiscal year 2000.

**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 to 50% on October 1, 1989, 55% on January 1, 1991 and to 62% on July 1, 1991. The rate increased to 78% on October 1, 2005. The tax on other tobacco products was first imposed July 16, 1986 at a rate of 12% of the wholesale sales price. The rate was increased to 13% on October 1, 1989, to 14% on January 1, 1991 and to 16% on July 1, 1991. The rate increased to 20% on October 1, 2005.

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

The Department of Health and Human Services collects license fee revenue associated with the wholesale and retail sale of cigarettes and tobacco products. Each distributor doing business in Maine must secure a distributor’s license from the Bureau of Revenue Services. There is no fee for the Bureau of Revenue Services license. The Department of Health and Human Services, Bureau of Health licenses the retail sale of cigarettes and tobacco products. The DHHS fee for an annual retail tobacco license is set by the department through rule-making, see table below for current fees.

**Retail Tobacco License Fees**

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

**Cigarette & Tobacco Product License Fees**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$1,825	\$17,720	\$19,545
1999	\$12,125	\$18,700	\$30,825
2000	\$2,443	\$44,458	\$46,901
2001	\$9,250	\$21,664	\$30,914
2002	\$5,710	\$7,485	\$13,195
2003	(\$982)	\$6,155	\$5,173
2004	\$0	\$8,462	\$8,462
2005	\$78,521	\$1,725	\$80,246
2006	\$261,200	\$2,800	\$264,000
2007	\$244,640	\$11,337	\$255,978

**Revenue Notes – Cigarette & Tobacco Products License Fees**

Revenue collected by the Bureau of Revenue Services through 2002 for the wholesale distribution of cigarettes and tobacco products accrued to the General Fund. Fees for retail licenses collected by the Department of Health and Human Services, Bureau of Health accrue as dedicated revenue to the Bureau of Health through fiscal year 2004. Beginning in fiscal year 2005, the retail license revenue accrues to the General Fund.

**History – Cigarette & Tobacco Products License Fees**

Adopted 1941. Amended by PL 1985, c. 783 effective June 1, 1986 to add tobacco products distributors license. PL 1995, c. 470 effective September 29, 1995 established the retail license for cigarette and tobacco products with the Department of Health and Human Services, Bureau of Health and set the fee at up to \$25. PL 2001, c. 526 repealed the Bureau of Revenue Services distributor license fees effective July 2, 2002. PL 2003, c. 673, Part CC changed the retail license from a one-time requirement to an annual requirement and increased the maximum fee from \$25 to \$50. PL 2005, c. 12, Part TT repealed the \$50 maximum fee for a retail tobacco license and required the Department of Health and Human Services to establish a sliding-scale license fee based on the relative size of retail tobacco licensees that generates the same total revenue that a \$100 flat fee would generate. Fees are established by rule.

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

Up until fiscal year 2004, the selling price of all spirits and fortified wine had been used to produce a state liquor tax which was deposited in the General Fund. The State Liquor Tax was formerly referred to as an Excise Tax on Spirits and was used to recover all liquor-related sales and operations costs of the Bureau of Alcoholic Beverages and Lottery Operations. As described below in more detail, this tax has been supplanted by the provisions of 28-A M.R.S.A. §88 which authorized a ten-year year lease with a private entity for the sales and distribution of spirits; this function and revenue source was formerly described and tabulated in the Liquor Taxes section of this report.

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

**Liquor Sales and Operations Revenue**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Total All Funds</b>
1998	\$20,546,162	\$20,546,162
1999	\$19,794,778	\$19,794,778
2000	\$23,226,758	\$23,226,758
2001	\$24,231,271	\$24,231,271
2002	\$25,168,524	\$25,168,524
2003	\$26,073,276	\$26,073,276
2004	\$102,182,743	\$102,182,743
2005	\$49,845,027	\$49,845,027
2006	\$2,560,044	\$2,560,044
2007	\$4,440,935	\$4,440,935

### **Revenue Notes – Liquor Sales and Operation**

Through fiscal year 2004, the General Fund revenue in this category represents the net profits from liquor sales and operations of the Bureau of Alcoholic Beverages and Lottery Operations (BABLO) transferred to the General Fund. In fiscal year 2004, the General Fund amount includes a \$75,000,000 lease payment in addition to the transfers from BABLO. Fiscal year 2005 includes an additional \$50,000,000 lease payment.

### **History – Liquor Sales and Operation**

The antecedent to the specific Liquor Tax was originally authorized in 1934 with a tax markup determined by the State Liquor Commission for the sale of spirits and wine by the state. Amended in 1937 to provide a tax at \$2.08 per gallon on spirits and 50¢ per gallon on wine. Amended in 1941 to provide a tax markup of at least 61% which was increased in 1955 to 65%, in 1967 to 75% of the “less carload FOB warehouse price” and in 1994 to 65% of delivered case price. Amended in 1998 to set a list price for spirits and fortified wine that would return an additional \$3,000,000 in General Fund revenue above accepted fiscal year 1999 estimates. Amended in 1999 to set the now-titled Liquor Tax to generate an aggregate amount sufficient to return to the General Fund an amount substantially equal to the amount collected in prior fiscal year. As a means of recovering liquor-related costs for state government, the Liquor Tax has now been largely superseded by PL 2003, c. 20, Part LLL which authorized the state to contract with a private entity for the right to distribute spirits for a period of ten years beginning in fiscal year 2005, subject to price regulation by the Bureau of Alcoholic Beverages and Lottery Operations.

## **LIQUOR TAXES – 28-A M.R.S.A. Part 4**

State Liquor Tax – (28-A M.R.S.A. §1651, Sub-§1). Up until fiscal year 2004, the selling price of all spirits and fortified wine had been used to produce a state liquor tax which was deposited in the General Fund. The State Liquor Tax was formerly referred to as an Excise Tax on Spirits and was used to recover all liquor-related sales and operations costs of the Bureau of Alcoholic Beverages and Lottery Operations. This tax has been supplanted by the provisions of 28-A M.R.S.A. §88 which authorized a ten-year lease with a private entity for the sales and distribution of spirits; this function and revenue source is now separately described and tabulated in the Liquor Sales and Operation section of this report.

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

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 in to 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). The tax on manufacture or importation of hard cider is 25¢ per gallon with a premium of 10¢ per gallon.

**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).

### Liquor Taxes

Fiscal Year	General Fund			Total All Funds
	Excise Tax - Beer & Wine	Premium Tax - Beer & Wine	Premium Tax - Spirits	
1998	\$7,357,496	\$3,318,633	\$1,593,834	\$12,269,963
1999	\$7,466,815	\$3,371,354	\$1,461,174	\$12,299,342
2000	\$7,829,053	\$3,527,197	\$1,581,648	\$12,937,898
2001	\$7,771,928	\$3,524,331	\$1,628,788	\$12,925,047
2002	\$8,196,839	\$3,672,891	\$1,653,122	\$13,522,852
2003	\$8,344,712	\$3,847,156	\$1,676,392	\$13,868,260
2004	\$8,627,449	\$3,997,459	\$1,775,223	\$14,400,130
2005	\$8,707,404	\$4,034,350	\$1,691,881	\$14,433,635
2006	\$9,557,003	\$4,255,169	\$1,883,756	\$14,777,779
2007	\$10,626,704	\$4,433,643	\$1,915,563	\$16,975,910

#### Revenue Notes – Liquor Taxes

Revenue from Liquor Taxes accrues to the General Fund. The table above provides detail for each of the Liquor Excise Taxes and Premium Taxes. Revenue pertaining to operating costs and sales generated by the specific Liquor Tax and the subsequent leasing agreement with a private entity for the distribution of spirits are now included in the Liquor Sales and Operation section of this report.

#### History – Liquor Taxes

The antecedent to the specific Liquor Tax was originally authorized in 1934 with a tax markup determined by the State Liquor Commission for the sale of spirits and wine by the state. Amended in 1937 to provide a tax at \$2.08 per gallon on spirits and 50¢ per gallon on wine. Amended in 1941 to provide a tax markup of at least 61%, which was increased in 1955 to 65%, in 1967 to 75% of the “less carload FOB warehouse price” and in 1994 to 65% of delivered case price. Amended in 1998 to set a list price for spirits and fortified wine that would return an additional \$3,000,000 in General Fund revenue above accepted fiscal year 1999 estimates. Amended in 1999 to set the now-titled Liquor Tax to generate an aggregate amount sufficient to return to the General Fund an amount substantially equal to the amount collected in prior fiscal year. As a means of recovering liquor-related costs for state government, the Liquor Tax has now been largely superseded by PL 2003, c. 20, part LLL, which authorized the state to contract with a private entity for the right to distribute spirits for period of 10 years beginning in fiscal year 2005, subject to price regulation by the Bureau of Alcoholic Beverages and Lottery Operations.

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

The alcohol premium was enacted in 1981 on spirits at the rate of 62 ½ ¢ per gallon, malt liquor at the rate of 5¢ per gallon, table wines at the rate of 15¢ per gallon and sparkling wine at the rate of 12¢ per gallon. The premium was doubled in 1986. A premium tax for low-alcohol spirits was added in 1991 and fortified wine was added in 1993, both at a rate of 24¢ per gallon. Premium revenue was originally dedicated to alcohol prevention, education and treatment. Revenue was undedicated in 1990. 28-A M.R.S.A. §1703, subsection 5 requires an appropriation to the Office of Substance Abuse equal to premium revenues.

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

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

**Liquor License Fees**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Total All Funds</b>
1998	\$2,960,814	\$2,960,814
1999	\$2,904,977	\$2,904,977
2000	\$3,067,067	\$3,067,067
2001	\$3,000,776	\$3,000,776
2002	\$3,005,543	\$3,005,543
2003	\$3,273,618	\$3,273,618
2004	\$3,084,894	\$3,084,894
2005	\$2,998,742	\$2,998,742
2006	\$3,118,805	\$3,118,805
2007	\$3,307,496	\$3,307,496

**Revenue Notes – Liquor License Fees**

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

**History – Liquor License Fees**

Most recently, liquor license fees have been amended by PL 2001, c. 711 which established a fee for reselling agents; PL 2001, c. 20 established a fee for certificates of approval for wine manufacturers who ship less than 120 gallons per year.



**Table II-2 – Liquor License Fee Schedule**

<b>License Class</b>	<b>Description</b>	<b>Amount</b>
<b>Retail Sales</b>		
Class I*	Spirituos, Vinous & Malt – Airlines; Auditoriums, Bowling Centers; Civic Auditoriums; Class A Restaurants; Clubs with Catering Privileges; Dining Cars & Passenger Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Racquet Clubs; Performing Arts Centers; Qualified Catering Services; and Vessels	\$900
Class I-A*	Spirituos, Vinous & Malt – Hotels – Optional Food	\$1,100
Class II*	Spirituos, Vinous & Malt – Airlines; Auditoriums, Bowling Centers; Civic Auditoriums; Class A Restaurants; Clubs with Catering Privileges; Dining Cars & Passenger Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Racquet Clubs; Performing Arts Centers; Qualified Catering Services; and Vessels	\$550
Class III*	Vinous Only – Airlines; Auditoriums; Bed and Breakfasts; Bowling Centers; Civic Dining Cars & Passenger Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Racquet Clubs; Outdoor Stadiums, Performing Arts Centers; Pool Halls; Qualified Catering Services; Restaurants; and Vessels	\$220
Class IV*	Malt Only – Airlines; Auditoriums; Bed and Breakfasts; Bowling Centers; Civic Auditoriums; Class A Restaurants; Clubs with Catering Privileges; Dining Cars & Passenger Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Racquet Clubs; Outdoor Stadiums; Performing Arts Centers; Pool Halls; Qualified Catering Services; Restaurants; Taverns; and Vessels	\$220
Class V*	Spirituos; Vinous & Malt – Clubs without Catering Privileges and Bed and Breakfasts	\$495
Class VI*	Off-premise Retailers – Malt Liquor	\$200
Class VI-A*	Off-premise Retailers – Malt Liquor – Ship Chandler w/o groceries or stock	\$200
Class VII*	Off-premise Retailers – Wine	\$200
Class VII-A	Off-premise Retailers – Wine – Ship Chandler w/o groceries or stock	\$200
Class X*	Spirituos, Vinous & Malt – Class A Lounges	\$2,200
Class XI*	Spirituos, Vinous & Malt – Class A Restaurants/Lounges; Off Track Betting Facilities	\$1,500
	Agency Liquor Stores – (Initial License)	\$2,000
	Agency Liquor Stores – (Renewal)	\$300
	Incorporated Civic Organizations	\$50
	Special Catering Permits	\$10
	Auxiliary Licenses	\$100
	Bottle Club Registrations	\$50
	B.Y.O.B. Functions	\$10
	Special Taste Testing Festival	\$20
<b>Wholesale Licenses</b>		
	Certificates of Approval – Spirituous (Storage Only)	\$600
	Certificates of Approval – Malt	\$600
	Certificates of Approval – Wine	\$600
	Certificates of Approval – Wine (Less than 120 gallons per year)	\$100
	Wholesale – Malt	\$600
	Wholesale Storage – Malt – monthly	\$50
	Wholesale – Wine	\$600
	Wholesale Storage – Wine – monthly	\$50
	Sales Representative	\$50
	Reselling Agent	\$50
	Small Maine Brewers	\$50
	Distillers & Brewers	\$1,000
	Maine Farm Wineries	\$50
	Rectifiers & Bottlers	\$1,000

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

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

Every insurance company or association doing business or collecting premiums in 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 allowable deductions. The tax on insurance placed in the surplus lines insurance market is 3%. The tax on qualified group disability plans is 2.55% for large domestic insurers and 1% for all other insurers. 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. Reduced rates are provided for captive insurers until 2007 when captive insurers become subject to the corporate income tax instead.

### **Insurance Premium Tax**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Total All Funds</b>
1998	\$39,153,496	\$39,153,496
1999	\$37,742,517	\$37,742,517
2000	\$42,698,686	\$42,698,686
2001	\$43,576,502	\$43,576,502
2002	\$55,244,333	\$55,244,333
2003	\$71,078,089	\$71,078,089
2004	\$72,206,153	\$72,206,153
2005	\$75,669,053	\$75,669,053
2006	\$76,090,900	\$76,090,900
2007	\$74,427,506	\$74,427,506

#### **Revenue Notes – Insurance Premium Tax**

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

#### **History – Insurance Premium Tax**

Adopted in 1874. The rate on domestic companies was increased from 1% to 2% effective July 16, 1986. Amended in 1989 to reduce the rate to 1% of long-term health care premiums effective for tax years after 1988. Amended by PL 1997, c. 496, for tax years commencing on or after 1/1/97, to subject premiums on certain qualified group disability policies written by every insurer, except a large domestic insurer, to a 1% tax. Premiums on such policies written by every large domestic insurer are subject to a tax of 2.55%. PL 1997, c. 435 established reduced rates for non-Maine captive insurance companies. PL 2003, c. 20, Part CC clarified the application of the tax to annuities. PL 2007, c. 240, Part KKKK moved captive insurance companies from the insurance premium tax to the corporate income tax.

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

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

### **Fire and Investigation Prevention Tax**

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$2,109,489	\$2,109,489
1999	\$2,370,159	\$2,370,159
2000	\$2,163,052	\$2,163,052
2001	\$2,538,267	\$2,538,267
2002	\$3,256,319	\$3,256,319
2003	\$4,891,046	\$4,891,046
2004	\$3,652,172	\$3,652,172
2005	\$3,866,037	\$3,866,037
2006	\$3,867,755	\$3,867,755
2007	\$4,228,305	\$4,228,305

#### **Revenue Notes – Fire Investigation and Prevention Tax**

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

#### **History – Fire Investigation and Prevention Tax**

Adopted and first imposed February 17, 1939 at 0.5%. Increased October 3, 1973 to 0.6%. Increased October 24, 1977 to 0.75%. Increased March 10, 1983 to 0.95%. Increased July 17, 1991 to 1.4%. PL 2001, c. 437 implemented a special assessment equal to 0.4% of gross direct premiums in addition to the regular assessment in fiscal year 2002. P&S 2001, c. 67 added a special assessment of 0.6% of gross direct premiums in fiscal year 2003 and capped the revenue from the special assessment to \$983,000 in fiscal year 2003 and allowed a credit against insurance premium tax for the amount of the fiscal year 2003 special assessment after July 1, 20003. PL 2003, c. 20, Part Y delayed the insurance premium tax credit until after July 1, 2005.

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

Every insurance company or health maintenance organization licensed to do business in this state is subject to an annual assessment by the Bureau of Insurance. The assessment, not to exceed 0.2% of direct premiums written for any biennial period, is in proportion to the direct gross premium written on business in this state during the year ending December 31<sup>st</sup> 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 0.015% of subscription income for any biennial period. The proceeds from each assessment process are used to support the costs of the Bureau of Insurance. There is a minimum assessment of \$100.

In addition to the Insurance Regulatory Assessment, the Bureau of Insurance is also 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 ([http://www.maine.gov/pfr/insurance/company/retaliatory\\_statement.htm](http://www.maine.gov/pfr/insurance/company/retaliatory_statement.htm)).

**Insurance Regulatory Assessments and Fees**

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$6,971,826	\$6,971,826
1999	\$1,683,834	\$1,683,834
2000	\$7,838,131	\$7,838,131
2001	\$3,649,511	\$3,649,511
2002	\$8,058,429	\$8,058,429
2003	\$3,610,681	\$3,610,681
2004	\$8,367,081	\$8,367,081
2005	\$3,345,493	\$3,345,493
2006	\$12,145,574	\$12,145,574
2007	\$2,117,571	\$2,117,571

**Revenue Notes – Insurance Regulatory Assessments and Fees**

Proceeds from insurance regulatory assessments and other insurance license fees accrue as dedicated revenue to the Bureau of Insurance. No insurance regulatory assessments have been made since fiscal year 2000 due to available balances accumulated to support Bureau of Insurance activities.

**History – Insurance Regulatory Assessments and Fees**

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

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

Each insurance company or entity that is authorized to write workers’ compensation policies in this state 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 1<sup>st</sup> of each year. The assessment is collected from employers by certain insurance companies beginning on July 1<sup>st</sup> 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 and April, the 25<sup>th</sup> day of June and concluding on the last day of October. All insurance companies are required to file an adjusted annual return by September 15<sup>th</sup> 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 1<sup>st</sup> of each year. Self-insured employers must pay the assessment on or before June 1<sup>st</sup>.

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 a set amount for any one fiscal year. In fiscal year 2006, the assessment cap was set at \$8,525,000.

Assessments collected exceeding the assessment cap 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 ¼ 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.

**Workers' Compensation Insurance Assessments**

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$8,126,555	\$8,126,555
1999	\$6,921,706	\$6,921,706
2000	\$6,741,940	\$6,741,940
2001	\$6,614,809	\$6,614,809
2002	\$6,667,725	\$6,667,725
2003	\$4,017,799	\$4,017,799
2004	\$12,778,682	\$12,778,682
2005	\$8,638,815	\$8,638,815
2006	\$8,874,698	\$8,874,698
2007	\$6,370,295	\$6,370,295

**Revenue Notes – Workers' Compensation Insurance Assessments**

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

**History – Workers' Compensation Insurance Assessments**

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

**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 issue workers' compensation insurance 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.

**Safety Education & Training Assessment**

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$1,887,220	\$1,887,220
1999	\$1,928,189	\$1,928,189
2000	\$2,051,670	\$2,051,670
2001	\$1,885,237	\$1,885,237
2002	\$1,897,022	\$1,897,022
2003	\$1,936,939	\$1,936,939
2004	\$2,079,353	\$2,079,353
2005	\$1,768,890	\$1,768,890
2006	\$2,129,375	\$2,129,375
2007	\$2,249,051	\$2,249,051

**Revenue Notes – Safety Education and Training Assessment**

Revenue collected from this assessment accrues as dedicated revenue.

**History – Safety Education and Training Assessment**

Adopted in 1985 by PL 1985, c. 372.

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

Consumer Credit Code Fees – 9-A M.R.S.A. §6-203 – Every creditor, collection agency, credit services organization and credit reporting agency authorized under the provisions of the Maine Consumer Credit Code, or other applicable laws, is required, depending on the type of creditor or organization, to pay certain application, examination and volume fees. The funds received from these various fees are used to support the operating costs of the Bureau of Consumer Credit Protection. Volume fees paid by financial institutions are paid to the Bureau of Financial Institutions. Both agencies are a part of the Department of Professional and Financial Regulation. See the Bureau of Consumer Credit Protection’s website ([www.credit.maine.gov](http://www.credit.maine.gov)) for additional information about licenses and fees.

Banking Fees and Assessments – 9-B M.R.S.A. §214 – Each state chartered financial institution regulated by the Bureau of Financial Institutions is subject to examination by the Bureau at least once in a 36 month period. The regulated financial institution is assessed by the Bureau for the cost of the examination. In addition, each state chartered financial institution is subject to an assessment at the annual rate of at least 6¢ for each \$1,000 of the total of average assets; the assessment may not be less than \$25. The Bureau is also authorized to levy an annual assessment not to exceed \$500 on interstate branches operated by an out-of-state financial institution. 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. 135 (§16302, §16305 & §16410) – The Maine Office of Securities within the Department of Professional and Financial Regulation oversees the registration of securities and the licensing of broker-dealers, agents, investment advisers, and investment adviser representatives. The \$30 annual renewal fee for agents and investment adviser representatives accrues as dedicated revenue to fund the operations of the Maine Office of Securities. The remainder of the fees collected by the office, which include agent initial license fees, broker-dealer fees, investment adviser fees, investment adviser representative initial fees, securities registration and exemption fees, and federal-covered securities notice filing fees, accrue to the General Fund.

### **Finance Industry Fees and Assessments**

Fiscal Year	General Fund	Other Special Revenue Funds			Total All Funds
	Office of Securities	Office of Securities	Bureau of Consumer Credit Protection	Bureau of Financial Institutions	
1998	\$9,224,720	\$1,419,550	\$789,527	\$1,633,608	\$13,067,405
1999	\$7,691,753	\$1,635,601	\$1,085,299	\$1,814,074	\$12,226,727
2000	\$8,724,430	\$1,907,070	\$836,600	\$1,920,140	\$13,388,240
2001	\$9,811,430	\$2,295,250	\$925,397	\$1,629,282	\$14,661,358
2002	\$9,356,930	\$2,207,920	\$1,100,832	\$1,718,048	\$14,383,730
2003	\$9,293,280	\$2,166,350	\$1,229,935	\$1,802,822	\$14,492,386
2004	\$9,572,280	\$1,672,430	\$1,452,303	\$2,234,815	\$14,931,828
2005	\$18,641,800	\$1,798,245	\$1,225,668	\$2,056,408	\$23,722,121
2006	\$20,471,110	\$1,895,740	\$1,437,151	\$2,052,574	\$25,856,575
2007	\$22,004,030	\$2,052,920	\$1,426,654	\$2,178,139	\$27,661,743

#### **Revenue Notes – Finance Industry Fee & Assessments**

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

#### **History – Finance Industry Fees & Assessments**

Fees pertaining to the Maine Consumer Credit Code were first authorized by PL 1973, c. 762. Since that time, the statutorily-established fees have been increased a number of times. The assessment on financial institutions was first authorized in 1923 by PL 1923, c. 144; annual assessments were fixed at \$2.50 for every \$100,000 of assets held by the financial institution. Under PL 1975, Chapter 500, the rate of assessment was changed to at least 7¢ for each \$1,000 of average deposits, which was subsequently changed to at least 6¢ for each \$1,000 of average assets. Bureau of Financial Institution’s rulemaking set the assessment for financial institutions at 7¢ for each \$1,000 of total average assets. Effective January 18, 2004, assessments for limited purpose banks that predominately engage in the business of a nondepository trust company was set by rule at 6¢ for each \$10,000 of assets subject to assessment. Office of Securities rulemaking reduced the annual renewal fee for agents from \$40 to \$30 effective November 23, 2003. PL 2003, c. 673, Part RRR increased the fee for most securities registration filings from \$500 to \$1,000 effective August 1, 2004. PL 2005, c. 12, Part KKKK, increased initial and renewal license fees for broker-dealers to \$250, renewal license fees for investment advisers to \$200, and initial license fees for agents and investment adviser representatives to \$50 effective June 29, 2005. The Maine Uniform Securities Act, PL 2005, c. 65, Part A, effective December 31, 2005, set licensing fee caps and granted the Securities Administrator rulemaking authority to set fees with the caps. With the exception of the investment adviser representative annual renewal fee, which was lowered to \$30 effective December 31, 2005, Office of Securities rulemaking set the fees at the same level that existed under the prior securities act. PL 2007, c. 273 established the Bureau of Consumer Credit

Protection within the Department of Professional and Financial Regulation as the successor agency to the Office of Consumer Credit Regulation.

**CORPORATION FEES AND LICENSES – 10 M.R.S.A. Chapter 301-A, 13 M.R.S.A., 13-B M.R.S.A., 13-C M.R.S.A. & 31 M.R.S.A., Chapters 11, 13 and 15.**

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

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

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

**Corporation Fees and Licenses**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Total All Funds</b>
1998	\$2,842,889	\$2,842,889
1999	\$3,113,991	\$3,113,991
2000	\$3,128,892	\$3,128,892
2001	\$3,313,312	\$3,313,312
2002	\$3,390,039	\$3,390,039
2003	\$3,482,107	\$3,482,107
2004	\$3,600,455	\$3,600,455
2005	\$5,637,743	\$5,637,743
2006	\$6,385,451	\$6,385,451
2007	\$6,639,084	\$6,639,084

**Revenue Notes – Corporate Filing Fees**

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



**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, 35 professional licensing boards internal to the department and 6 professional licensing boards affiliated with the department. There are dedicated fees connected with each statutorily regulated profession. A complete list of these fees, as well as fees for professions regulated by other organizational units with the department, is on file at the Office of Fiscal and Program Review or is available from the Department of Professional and Financial Regulation.

**Professional and Occupational Licensing Fees**

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$6,917,044	\$6,917,044
1999	\$7,035,621	\$7,035,621
2000	\$8,706,121	\$8,706,121
2001	\$8,960,966	\$8,960,966
2002	\$10,569,519	\$10,569,519
2003	\$10,610,753	\$10,610,753
2004	\$11,110,269	\$11,110,269
2005	\$11,720,978	\$11,720,978
2006	\$13,309,213	\$13,309,213
2007	\$12,363,065	\$12,363,065

**Revenue Notes – Professional and Occupational Licensing Fees**

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

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

For fiscal years beginning on or after July 1, 2004, a hospital tax is imposed at 2.23% of each hospital’s net operating revenue. For the state fiscal year beginning July 1, 2004, the hospital’s taxable year is the hospital’s fiscal year that ended during calendar year 2002. For the state fiscal year beginning July 1, 2005, the hospital’s taxable year is the hospital’s fiscal year that ended during calendar year 2003. For state fiscal years beginning on or after July 1, 2006, the hospital’s taxable year is the hospital’s fiscal year that ended during calendar year 2004.

### Hospital Assessments and Taxes

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
1998	\$0	\$128,805,830	\$128,805,830
1999	\$0	\$321,065	\$321,065
2000	\$0	\$375,555	\$375,555
2001	\$0	\$2,413,174	\$2,413,174
2002	\$391,548	\$0	\$391,548
2003	\$3,795,726	\$0	\$3,795,726
2004	\$265,398	\$16,383,319	\$16,648,717
2005	\$235,022	\$48,907,135	\$49,142,157
2006	\$2	\$54,050,914	\$54,050,916
2007	\$0	\$59,807,056	\$59,807,056

**Revenue Notes – Hospital Assessments and Taxes**

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

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

**History – Hospital Assessments and Taxes**

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

The current hospital tax was added in PL 2003, c. 513 and amended in PL 2003, c. 673. The current hospital tax is distinct from the hospital assessment repealed in 1998 and the one-time hospital assessment in effect for fiscal year 2003.

For the state fiscal year beginning on July 1, 2003 a tax equal to 0.74% of hospital net operating revenue was imposed. For the state fiscal year beginning July 1, 2004, the tax was increased to 2.23% of hospital net operating revenue for the hospital’s fiscal year that ended during calendar year 2002. For the state fiscal year beginning July 1, 2005, the hospital’s taxable year was the hospital’s fiscal year that ended during calendar year 2003. For the state fiscal years beginning on or after July 1, 2006, the hospital’s taxable year is the hospital’s fiscal year that ended during calendar year 2004.

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

Effective July 1, 2001, PL 2001, c. 714, Part CC established the current tax on nursing homes and residential treatment facilities. The tax imposed on each nursing home is equal to 6% of its annual net operating revenue. The tax imposed on each residential treatment facilities is equal to 6% of its annual gross patient services revenue for the fiscal year.

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
2003	\$23,613,564	\$23,613,564
2004	\$32,119,110	\$32,119,110
2005	\$31,200,066	\$31,200,066
2006	\$33,265,910	\$33,265,910
2007	\$31,941,717	\$31,941,717

### **Revenue Notes – Health Care Provider Tax**

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

### **History – Health Care Provider Tax**

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

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

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

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

**Health Care Institution License Fees**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$0	\$282,408	\$282,408
1999	\$273,578	\$3,020	\$276,598
2000	\$216,687	\$58,420	\$275,106
2001	\$331,753	(\$58,414)	\$273,339
2002	\$267,806	\$0	\$267,806
2003	\$275,772	\$0	\$275,772
2004	\$513,919	\$0	\$513,919
2005	\$446,546	\$0	\$446,546
2006	\$464,782	\$250	\$465,032
2007	\$503,250	\$250	\$503,500

**Revenue Notes – Health Care Institution License Fees**

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

**History – Health Care Institution License Fees**

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

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

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

**Railroad Company Tax**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Other Special Revenue Funds</b>	<b>State Transit, Aviation &amp; Rail Transportation Fund</b>	<b>Total All Funds</b>
1998	\$424,436	\$150,000	\$0	\$574,436
1999	\$346,701	\$150,000	\$0	\$496,701
2000	\$365,949	\$150,000	\$0	\$515,949
2001	\$450,206	\$150,000	\$0	\$600,206
2002	\$438,784	\$150,000	\$0	\$588,784
2003	\$165,987	\$150,000	\$0	\$315,987
2004	\$211,413	\$150,000	\$0	\$361,413
2005	\$398,316	\$150,000	\$0	\$548,316
2006	\$0	\$20,000	\$598,087	\$618,087
2007	\$0	\$0	\$562,415	\$562,415

### **Revenue Notes – Railroad Company Tax**

Until July 1, 2005, the Railroad Company Tax accrued to the General Fund with the exception of \$150,000 annually which was transferred to the Rail Preservation and Assistance Fund. From July 1, 2005 to September 17, 2005 the entire tax was dedicated to the Rail Preservation and Assistance Fund. After September 17, 2005, the tax as noted above accrues to the State Transit, Aviation and Rail Transportation Fund with the exception of \$20,000 annually, which accrues to the Railroad Freight Service Quality Fund. The State Transit, Aviation and Rail Transportation Fund is an enterprise fund and is not an operating fund.

### **History – Railroad Company Tax**

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

## **TELECOMMUNICATIONS PERSONAL PROPERTY TAX – 36 M.R.S.A. §457 & §458**

A state tax is imposed on telecommunications personal property in each taxable year. This property continues to be exempt from ordinary local property taxation. This tax is assessed on May 30<sup>th</sup> of each year and must be paid by August 15<sup>th</sup> of that year. The tax rate in 2007 is 23 mills and will decrease on additional mill each year until 2010 when it reaches 20 mills.

### **Telecommunications Personal Property Tax**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Total All Funds</b>
1998	\$28,910,458	\$28,910,458
1999	\$29,324,167	\$29,324,167
2000	\$15,420,982	\$15,420,982
2001	\$29,326,573	\$29,326,573
2002	\$30,040,999	\$30,040,999
2003	\$29,119,156	\$29,119,156
2004	\$27,779,775	\$27,779,775
2005	\$25,004,898	\$25,004,898
2006	\$20,627,030	\$20,627,030
2007	\$16,317,029	\$16,317,029

### **Revenue Notes – Telecommunications Personal Property Tax**

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

### **History – Telecommunications Personal Property Tax**

Adopted in current form 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 ½ of the subsequent year's tax by June 1<sup>st</sup>. Amended by PL 1999, c. 731, Part W and PL 1999, c. 732 Part H to eliminate the prepayment and to change the payment date to August 15<sup>th</sup>. PL 1999, c. 731, Part W also implemented a phased-in reduction of the rate by one mill each year from 27 mills in 2002 until it reaches the rate of 20 mills 2009. PL 2001, c. 559, §H-1 delayed each phased-in reduction by one year. The rate for 2007 is 23 mills.

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

Public Utilities Commission Assessment. (35-A M.R.S.A. §116 subsection (1)) Each transmission and distribution, telephone, gas and water utility and ferry subject to regulation by the Public Utilities Commission is subject to an annual assessment on its intrastate gross operating revenues to provide funding for the costs of operating the Public Utilities Commission. The assessment is currently limited to a maximum of \$5,505,000 in revenues annually. Section 116 subsection (1) authorizes the Commission to set the assessment annually to provide sufficient revenue for the level of expenditures allocated by the Legislature for operating the Commission.

Public Advocate Assessment. (35-A M.R.S.A. §116 subsection (8)) 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.

In addition to the two items above, the following assessments are made on public utilities.

Electric Conservation Programs – 35-A M.R.S.A. §3211-A subsection (4) authorizes the Public Utilities Commission to assess transmission and distribution utilities to collect funds for conservation programs and administrative costs and, upon request, to help fund the Energy Resources Council. (Account number 014-65A-0967-01). In addition, 35-A M.R.S.A. §3211-A subsection (4-A) authorizes the Public Utilities Commission to assess transmission and distribution utilities “as necessary to realize all available efficiency and demand reduction resources in the state that are cost-effective, reliable and feasible ...”

Solar Energy Rebate Program – 35-A M.R.S.A. §3211-C subsection (3) authorizes the Public Utilities Commission to assess transmission and distribution utilities to collect funds for the solar energy rebate program that is established in section 3211-C (Account number 014-65A-Z012-01)

Renewable Resource Program – 35-A M.R.S.A. §3210 subsection (5) authorizes the Public Utilities Commission to establish and administer the voluntary Renewable Program which allows retail customers of electricity to make voluntary contributions to fund renewable research and development and fund community demonstration projects using renewable energy technologies. (Account number 014-65A-2052-01).

Maine Universal Service Fund – (35-A M.R.S.A. §7104) – Pursuant to 35-A M.R.S.A. §7104 subsection (3), the Public Utilities Commission requires intrastate telecommunications carriers to contribute to the Maine Universal Service Fund. 35-A

M.R.S.A. §7104 subsection (3) also specifies that these funds are not deposited into a state account. The Maine Universal Service Fund is used to fund the following activities:

General Availability of Telecommunications Services – 35-A M.R.S.A. §7104 Subsection (2) specifies that the primary purpose of the Maine Universal Service Fund is to ensure that similar telecommunications services are available to consumers throughout all areas of the state at reasonably comparable rates.

Communication Equipment Fund – 35-A M.R.S.A. §7104 subsection (5) authorizes the Public Utilities Commission to annually transfer funds from the Maine Universal Services Fund to the Communications Equipment Fund. The transferred funds are administered by the Bureau of Rehabilitation services with the Department of Labor pursuant to 26-A M.R.S.A. §1419-A, subsection (6) and must be used to purchase specialized customer communications equipment for the deaf, hard-of-hearing or speech-impaired persons and persons with disabilities.

Emergency Alert Telecommunication Service – 35-A M.R.S.A. §7104 subsection (5) allows the Bureau of Rehabilitation Services to request money from the Maine Universal Service Fund to support the emergency alert telecommunications service.

Public Interest Pay Phones – 35-A M.R.S.A. §7104 subsection (6) authorizes the Public Utilities Commission to collect and expend Maine Universal Service Fund monies to fund public interest pay phones pursuant to 35-A M.R.S.A. §7508.

Telecommunications Relay Service – 35-A M.R.S.A. §7104 subsection (7) requires the costs of the Telecommunications Relay Service to come out of the Maine Universal Service Fund. It also requires the Public Utilities Commission to make certain findings about the level of support and the structure of the program and its outreach programs.

ConnectME Authority – Resolve 2007, c. 27 authorized the final adoption of a ConnectME Authority, Chapter 101, which was a major substantive rule. Funding of the Authority was authorized contingent on the promulgation of Chapter 101 (PL 2005, c. 141). Together, Chapters 27 and 141 (1) authorize the Authority to request up to \$500,000 from the Maine Universal Service Fund to provide start-up funding for the Authority pending the implementation of the Authority's assessment mechanism and (2) require the Authority to repay amounts "borrowed" from the Maine Universal Service Fund with revenues generated by the Authority's assessment.

Telecommunications Education Access Fund – 35-A M.R.S.A. section 7104-B subsection (2) authorizes the Public Utilities Commission to require telecommunications carriers offering telecommunications services in the state to contribute to the Telecommunications Education Access Fund. These funds are not deposited into a state account.

### Public Utilities Assessments

Fiscal Year	Other Special Revenue Funds		Total All Funds
	PUC Assessments	Public Advocate Assessment	
1998	\$6,365,833	\$274,462	\$6,640,295
1999	\$5,501,230	\$804,476	\$6,305,706
2000	\$0	\$1,275,282	\$1,275,282
2001	\$5,117,539	\$1,179,122	\$6,296,661
2002	\$9,884,695	\$1,268,074	\$11,152,768
2003	\$8,292,063	\$1,334,203	\$9,626,266
2004	\$12,121,859	\$1,619,749	\$13,741,608
2005	\$14,590,190	\$2,092,762	\$16,682,952
2006	\$15,477,789	\$1,605,101	\$17,082,890
2007	\$14,389,587	\$1,552,310	\$15,941,897

#### Revenue Notes – Public Utilities Assessments

The revenue generated by the Public Utilities Commission assessment, the Electric Conservation Programs assessment, the Solar Energy Rebate Program assessment and the Public Advocate assessment accrue as dedicated revenue.

#### History – Public Utilities Assessments

Adopted in 1979. Original Public Utilities Commission assessment was established by PL 1979, c. 427 at no more than .2% of intrastate gross operating revenues of each regulated utility with total annual revenues not to exceed \$150,000. Amended several times since to increase the percentage of intrastate gross operating revenues and to increase the maximum annual revenues. 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 1990 with a repeal date of June 30, 1990. Amended several times since to increase the amount of the assessment. PL 1997, c. 424 amended the Public Advocate Assessment to remove the specific dollar amount and fiscal year references and authorized the assessment at a level sufficient to support the legislative allocations for the Public Advocate in any given fiscal year. PL 2001, c. 28 §1 authorized the Public Advocate to utilize unexpended funds in excess of 10% of the total annual assessment authorized that were carried forward at the end of fiscal years 2001 and 2002 instead of reducing the utility assessment. In 2007, the assessment cap for the Commission which appeared in §116 subsection (1) was replaced with language that allows the Commission to set the assessment annually to provide sufficient revenue for the level of expenditures allocated by the Legislature for operating the Commission. (PL 2007, c. 16).

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

The Solar Energy Rebate Program Fund was created in 2005 by PL 2005, c. 459 and was reallocated by Revisor’s Report 2005, c.1, section 17. Revenues for this fund are generated by an assessment on transmission and distribution utilities. The current level of the assessment is not to exceed 0.005 cent per kilowatt hour. PL 2005, c. 459. The Solar Energy Rebate Program and Fund statute, 35-A M.R.S.A. section 3211-C, is scheduled to be repealed on December 31, 2008, see PL 2005, c. 459. In 2007, the sunset date for the Solar Energy Rebate Program was extended to December 31, 2010. (PL 2007, c. 158).

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



The Maine Universal Service Fund (MUSF) was authorized in 1998 by PL 1997, c. 692. Providers of intrastate telecommunications services are currently assessed approximately \$8.2 million per year to fund the Maine Universal Service Fund pursuant to Chapter 288 of the Public Utilities Commission's rules. In 2004, PL 2003, c. 553 created the Communication Equipment Fund and directed the Public Utilities Commission to transfer money from the Maine Universal Service Fund to fund the Communication Equipment Fund. In 2007, the Legislature adopted changes to the funding levels for the specific programs supported by the Communication Equipment Fund. (PL 2007, c. 224). In 2005, PL 2005, c. 131 authorized the Public Utilities Commission to require contributions to the Maine Universal Service Fund to support public interest pay phones. In 2005, PL 2005, c. 305 authorized the Public Utilities Commission to require contributions to the Maine Universal Service Fund to support telecommunications relay services. In 2005, PL 2005, c. 336 authorized the Public Utilities Commission to require contributions to the Maine Universal Service Fund to support emergency alert telecommunication service through a transfer of funds from the Maine Universal Service Fund to the Communication Equipment Fund. In 2006, Resolves 2005, c. 141 directed the Public Utilities Commission to allocate funds from the Maine Universal Service Fund on a one-time basis to assist Federally Qualified Health Centers conduct a needs assessment and apply for federal funding.

The Telecommunications Education Access Fund was authorized in 1996 by PL 1995, c. 631. The Public Utilities Commission is currently authorized to collect from Maine telecommunications carriers an amount up to 0.7% of retail charges for telecommunications services provided in the state producing approximately \$4 million annually. (PL 2005, c. 251).

**E-9-1-1 SURCHARGE – 25 M.R.S.A. §2927**

Section 2927 authorizes a surcharge on each residence and business telephone exchange line, including private branch exchange (PBX) lines and Centrex lines, cellular or wireless telecommunications service subscribers, Voice over Internet Protocol (VoIP) subscribers, and semi-public coin and public access lines. This surcharge is limited to not more than 25 lines or numbers per customer billing account. The revenue generated by the surcharge is used to support the implementation, operation and management of a statewide emergency E-9-1-1 telephone system and is administered by the Emergency Services Communication Bureau within the Public Utilities Commission.

**E-9-1-1 Surcharge**

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$1,928,472	\$1,928,472
1999	\$3,383,462	\$3,383,462
2000	\$2,496,177	\$2,496,177
2001	\$3,421,485	\$3,421,485
2002	\$6,636,247	\$6,636,247
2003	\$7,885,497	\$7,885,497
2004	\$7,948,519	\$7,948,519
2005	\$8,279,202	\$8,279,202
2006	\$8,244,839	\$8,244,839
2007	\$8,499,625	\$8,499,625

**Revenue Notes – E-9-1-1 Surcharge**

As noted above, this revenue is dedicated to support a statewide E-9-1-1 system.

**History – E-9-1-1 Surcharge**

Adopted in 1994. The E-9-1-1 surcharge was established by PL 1993, c. 566 at a rate of 2¢ per month per line beginning on August 1, 1995. PL 1995, c. 672 continued the surcharge at 2¢ until August 1, 1996 when it was

increased to 20¢ per month per line. The surcharge was increased by PL 1997, c. 409 to a rate of 32¢ per month per line or number effective on August 1, 1998. The surcharge was repealed effective September 18, 1999 through a sunset provision included in PL 1997, c. 409. PL 1999, c. 651 reinstated the E-9-1-1 surcharge effective April 10, 2000 at a rate of 32¢ per month per line or number. PL 2001, c. 439 Part EEEE increased the surcharge to 50¢ per month per line or number until 90 days following adjournment of the First Regular Session of the 121<sup>st</sup> Legislature, after which it returns to 32¢ per month per line or number. PL 2003, c. 359 repealed the return to 32¢ per month per line or number and retained the 50¢ surcharge per month per line or number. In 2007, the applicability of the surcharge was extended to subscribers of prepaid wireless service and VoIP services. (PL 2007, c. 68).

**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 or on the transfer of a controlling interest in an entity with a fee interest in real property in the state at the rate of \$2.20 for each \$500 or fractional part of the value of the real property. There are certain exemptions. Of the total tax, ½ is imposed on the grantor and ½ is imposed on the grantee. Ninety percent of the tax collected during the previous month is forwarded by each Registrar of Deeds to the State Tax Assessor. The remaining 10% is retained by the county and accounted for as reimbursement for services rendered in collecting the tax. Of the 90% that is forwarded to the state, ½ of the revenue attributable to the transfer of title to real property 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. The remainder is credited to the General Fund. In fiscal years 2004 through 2009, a portion that would ordinarily be credited to the H.O.M.E. Fund is credited to the General Fund. Those amounts for each fiscal year are: for 2004 to 2006, \$7,500,000; for 2007, \$7,687,067; for 2008 and 2009, \$5,000,000. Beginning July 1, 2002, transfers of controlling interests in entities owning real property are subject to the same tax on the value of the real property owned. After the deduction of 10% county share, the remaining 90% of proceeds from the tax on the transfers of controlling interests accrues to the General Fund.

**Real Estate Transfer Tax**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$9,636,432	\$3,268,004	\$12,904,437
1999	\$12,022,820	\$3,976,082	\$15,998,902
2000	\$9,320,476	\$9,316,253	\$18,636,729
2001	\$9,048,762	\$8,279,699	\$17,328,461
2002	\$9,208,923	\$9,208,497	\$18,417,421
2003	\$10,770,668	\$10,758,160	\$21,528,828
2004	\$22,196,221	\$6,216,471	\$28,412,693
2005	\$24,113,439	\$8,881,845	\$32,995,284
2006	\$24,595,580	\$9,356,426	\$33,952,006
2007	\$22,206,638	\$7,281,652	\$29,488,291

**Revenue Notes – Real Estate Transfer Tax**

As noted above, the Real Estate Transfer Tax accrues to the General Fund and to the H.O.M.E. Fund. Year-end accrual of the Real Estate Transfer Tax began at the end of fiscal year 2000.

### **History – Real Estate Transfer Tax**

The Real Estate Transfer Tax was originally established by P& S 1967, c. 154. Originally enacted as 36 M.R.S.A. c. 712 which was repealed and replaced by c. 711-A. The tax applied to the transfer of title to real property at a rate of \$1 for transfers between \$251 and \$500 and 55¢ for each \$500 or fraction thereof, payable by the grantee. Ninety percent of the total revenue collected was forwarded to the state for deposit in the General Fund and the remaining 10% was retained by the county. PL 1975, c. 572 repealed and replaced those provisions with a Real Estate Transfer Tax at a rate of 55¢ for each \$500 or fraction thereof, payable by the grantor. Eighty-five percent of the total revenue was forwarded to the state for deposit in the General Fund and the remaining 15% was retained by the county. The tax was amended by PL 1983, c. 859 to increase the rate of 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.

The distribution of the 90% of total revenue forwarded to the state has been amended several times. PL 1991, c. 591, Part P, PL 1991, c. 622, Part K, PL 1993, c. 6, Part D, PL 1993, c. 410, Part C, PL 1995, c. 368, Part K, PL 1997, c. 24, Part C and PL 1997, c. 759 all modified the distribution between the General Fund and the H.O.M.E. Fund. PL 2001, c. 439, Part XXX provided for a transfer of up to \$200,000 of the General Fund portion of revenues to the Community Forestry Fund. PL 2001, c. 559, Part I repealed the Community Forestry Fund transfer provisions and added transfers of controlling interests to the tax beginning July 1, 2002. Revenue generated by the transfer of controlling interests is credited to the General Fund and is not subject to distribution to the H.O.M.E. fund. Most recent changes to distribution of the state's share include PL 2003, c. 20, Part V, PL 2005, c. 12, Part H, which amended the distribution for fiscal years 2004 through 2007 to provide that the General Fund portion of the 90% paid to the state is \$7,500,000 plus 50% of the remaining revenue and PL 2005, c. 644 which amended the distribution in fiscal year 2007 to provide a General Fund share of \$7,687,067 plus 50% of the remaining revenue. PL 2007, c. 240, Part H amended the distribution for fiscal years 2008 and 2009.

### **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 1<sup>st</sup> of each year for the purpose of funding municipal-type services in the unorganized territory. The Unorganized Territory Tax District includes all of the unorganized territory of the State of Maine. The tax is computed and apportioned on the basis of the State Tax Assessor's determination of the value of the property. The tax rate is calculated to raise the municipal cost component and the unorganized territory's portion of the county tax. The municipal cost component is the cost of funding services in the Unorganized Territory Tax District that would not be borne by the state if the Unorganized Territory Tax District were a municipality. The municipal cost component is comprised of the following categories of services provided for the Unorganized Territory: fiscal administration; land use regulation; property tax assessment; county reimbursement for services; education; forest fire protection; and general assistance. The Legislature determines the municipal cost component for the next fiscal year. The State Tax Assessor computes the mill rates for the Unorganized Territory Educational and Services tax and the county tax.

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

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

### Unorganized Territory Taxes

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
1998	\$8,722,729	\$5,282,522	\$14,005,251
1999	\$9,372,295	\$3,805,399	\$13,177,693
2000	\$9,333,204	\$5,572,288	\$14,905,492
2001	\$9,808,431	\$8,106,024	\$17,914,455
2002	\$10,333,984	\$7,536,088	\$17,870,072
2003	\$9,930,103	\$7,502,502	\$17,432,605
2004	\$10,709,308	\$6,565,101	\$17,274,409
2005	\$10,622,666	\$7,759,063	\$18,381,729
2006	\$11,559,305	\$8,983,844	\$20,543,149
2007	\$11,376,293	\$9,548,152	\$20,924,445

**Revenue Notes – Unorganized Territory Taxes**

General Fund amounts above reflect amounts transferred to the General Fund each year as reimbursement for the General Fund costs of the municipal cost component. The Other Special Revenue Funds include 3 primary categories. The first, “Unorganized Territory Taxes,” includes the amounts collected for the municipal cost component. A portion of the amount is retained by the state for certain administrative costs within the Department of Audit and Maine Revenue Services. The remainder is the county taxes collected by the state and distributed to the counties. The third category, “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 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 protection activities. The tax is determined by the State Tax Assessor from information provided and certified by the Commissioner of the State Department of Conservation. That information includes the current fiscal year’s appropriations and allocations for and anticipated revenues from forest fire protection. It also includes adjustments based on the preceding fiscal year’s actual expenditures and revenues from forest fire protection.

### Commercial Forestry Excise Tax

Fiscal Year	General Fund	Total All Funds
1998	\$3,325,828	\$3,325,828
1999	\$3,093,662	\$3,093,662
2000	\$3,078,166	\$3,078,166
2001	\$2,943,380	\$2,943,380
2002	\$3,681,764	\$3,681,764
2003	\$3,172,724	\$3,172,724
2004	\$2,907,340	\$2,907,340
2005	\$2,890,635	\$2,890,635
2006	\$2,888,700	\$2,888,700
2007	\$3,851,783	\$3,851,783

### **Revenue Notes – Commercial Forestry Excise Tax**

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

### **History – Commercial Forestry Excise Tax**

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

## **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 the calendar year.

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

### **Revenue Notes – Spruce Budworm Management Tax**

Revenue from the Spruce Budworm Management Tax accrues as dedicated revenue to the Department of 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 upon internal combustion engine fuel sold or used within this state. Beginning July 1, 2003, the rate is indexed annually for inflation. Tax rates are provided in Table II-3 on page 44. Refund of the gasoline tax paid (less 1¢ per gallon) is provided for fuel used in commercial motor boats, tractors used for agricultural purposes, vehicles used on rail and

tracks or in stationary engines or in mechanical or industrial arts. Fuel used for these purposes is subject to the 5% use tax if the gasoline tax is refunded. Full refund is provided for certain common carrier passenger service vehicles.

### Gasoline Tax

Fiscal Year	General Fund	Highway Fund	Other Special Revenue Funds	Total All Funds
1998	\$62,685	\$121,456,054	\$2,863,275	\$124,382,013
1999	\$43,245	\$133,571,769	\$2,566,360	\$136,181,374
2000	\$74,510	\$143,128,178	\$2,918,045	\$146,120,733
2001	\$71,479	\$145,147,127	\$2,894,167	\$148,112,773
2002	\$74,746	\$148,160,900	\$3,273,364	\$151,509,010
2003	\$77,594	\$151,498,395	\$3,020,328	\$154,596,316
2004	\$317,783	\$172,209,713	\$3,443,270	\$175,970,766
2005	\$212,660	\$175,084,215	\$3,548,393	\$178,845,268
2006	\$246,235	\$176,769,409	\$4,313,539	\$181,329,183
2007	\$251,616	\$181,018,162	\$4,407,799	\$185,677,576

#### Revenue Notes – Gasoline Tax

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

#### History – Gasoline Tax

Effective date of change	Rate in cents per gallon	Effective date of change	Rate in cents per gallon
7/6/23 enacted	1	6/1/71	9
7/10/25	3	4/1/83	14
7/15/27	4	5/1/88	16
6/1/47	6	4/1/89	17
6/1/55	7	7/19/91	19
7/1/69	8	8/1/99	22

\*Beginning 7/1/03 the gasoline tax was increased to 24.6 cents per gallon and is increased on July 1 annually by the percentage increase in the Consumer Price Index. See Table II-3 on page 44.

Amended in 1965 to provide full refund to certain common passenger carriers and to provide shrinkage allowance for retail gasoline dealers. Amended in 1963 to add a refund provision for gasoline used in pleasure boats. Amended in 1965 to eliminate refunds for pleasure boat use and to set aside 1.25% of gasoline tax revenue for refunds to commercial motor boat users; 80% of balance credited to Boating Facilities Fund in the Dept. of 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% for the ATV Recreational Management Fund. PL 2001, c. 693 effective July 1, 2003 increased and modified the distribution of gasoline taxes for non-highway recreational vehicle programs. Beginning in fiscal year 2004, 1.443% of total gasoline tax revenue designated as motorboat usage is dedicated to the Department of Marine Resources (24.6%) and the Boating Facilities Fund (75.4%). Revenue designated to be from snowmobile use set at 0.9045% of total gasoline revenue is dedicated for snowmobile purposes of the Department of Inland Fisheries and Wildlife (14.93%) and the Department of Conservation (85.07%). Revenue designated to be from ATV's is set at 0.1525% and is dedicated to ATV purposes split equally between the Department of Inland Fisheries and Wildlife and the Department of Conservation.

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

An excise tax is imposed on the sale or use of distillates (diesel fuel) and on low energy fuel (such as propane, methane and butane) at rates based on British Thermal Unit rating compared to gasoline when such fuel is used in an internal combustion engine for the generation of power to propel motor vehicles of any kind or character on the public highways or turnpikes of 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 5% use tax if the fuel tax is refunded. Full refunds are provided for certain common carrier passenger service vehicles. Beginning July 1, 2003, the rate of tax on distillates is indexed for inflation. (Tax rates are provided in Table II-3 on page 44.)

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 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 owned and those paid. The carrier's home (or base) state transmits the appropriate data and tax payments monthly to all IFTA jurisdictions.

### **Special Fuel and Road Use Taxes**

<b>Fiscal Year</b>	<b>Highway Fund</b>	<b>Total All Funds</b>
1998	\$28,893,590	\$28,893,590
1999	\$33,187,463	\$33,187,463
2000	\$31,563,077	\$31,563,077
2001	\$37,354,970	\$37,354,970
2002	\$36,572,099	\$36,572,099
2003	\$36,402,613	\$36,402,613
2004	\$40,391,130	\$40,391,130
2005	\$45,400,514	\$45,400,514
2006	\$44,805,900	\$44,805,900
2007	\$45,805,856	\$45,805,856

#### **Revenue Notes – Special Fuel and Road Use Taxes**

Revenue collected from the special fuel tax accrues to the Highway Fund. Year-end accruals of the Special Fuel Tax began in fiscal year 1999.

#### **History – Special Fuel and Road Use Taxes**

Enacted effective October 1, 1983 at the rate of 14¢ per gallon on distillates and 13¢ per gallon on low energy fuels. Increased on July 1, 1988 to 19¢ per gallon on distillates and 15¢ per gallon on low energy fuels. Increased on April 1, 1989 to 20¢ per gallon on distillates and 16¢ per gallon on low energy fuels. The special fuel tax replaces the "Use Fuel Tax" that was adopted in 1941. The tax on low-energy fuel increased from 16¢ to 18¢ per gallon effective July 17, 1991 and temporarily on July 8, 9, and 10, 1991. The tax on distillates and low energy fuel was increased to 23¢ and 21¢ per gallon, respectively, effective August 1, 1999. Effective October 1, 2000, the tax on low energy fuels was decreased to rates ranging from 12.5¢ and 19.1¢ per gallon depending on the fuels BTU rating compared to gasoline. PL 2001, c. 688 provided for indexing the tax rate on distillates beginning July 1, 2003. PL 2005, c. 677 established that the tax rate for distillates containing 2% or more of biodiesel fuel is 20¢ and that that rate would be repealed 90 days after the adjournment of the First Regular Session of the 123<sup>rd</sup> Legislature.

**TABLE II-3 Motor Fuel Tax Rates<sup>1</sup>**  
(cents per gallon)

Fuel Type	Rate on 6/30/03	Effective 7/1/03	Effective 7/1/04	Effective 7/1/05	Effective 7/1/06	Effective 7/1/07
Gasoline	22	24.6	25.2	25.9	26.8	27.6
Diesel <sup>2</sup>	23	25.7	26.3	27.0	27.9	28.8
Propane	16	17.9	18.3	18.8	19.4	20.1
Methanol	12.5	14	14.3	14.7	15.2	15.7
Ethanol	15.6	17.4	17.8	18.3	18.9	19.6
CNG <sup>3</sup>	19.1	21.4	21.8	22.4	23.2	23.9

<sup>1</sup> Inflation factor is determined by the prior year's inflation rate. The inflation factor for July 1, 2003 was 1.118, for July 1, 2004 it was 1.023, for July 1, 2005, it was 1.027, for July 1, 2006 it was 1.034, and for July 1, 2007 it was 1.032.

<sup>2</sup> For reporting periods beginning on September 1, 2006, the tax rate for diesel fuel containing at least 2% biological component is 0.200.

<sup>3</sup> CNG (Compressed Natural Gas). The tax rate is applied to every 100 cubic feet. The tax rate on all other fuels is based on each gallon.

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

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

**Aeronautical Fuel Taxes**

Fiscal Year	General Fund	State Transit, Aviation & Rail Transportation Fund	Total All Funds
1998	\$779,236	\$0	\$779,236
1999	\$907,481	\$0	\$907,481
2000	\$999,110	\$0	\$999,110
2001	\$908,593	\$0	\$908,593
2002	\$845,578	\$0	\$845,578
2003	\$768,392	\$0	\$768,392
2004	\$1,043,664	\$0	\$1,043,664
2005	\$1,095,171	\$0	\$1,095,171
2006	\$359,655	\$629,038	\$988,693
2007	\$0	\$548,354	\$548,354

**Revenue Notes – Aeronautical Fuels Taxes**

Revenue from the aeronautical fuel taxes accrued to the General Fund until October 1, 2005, when these taxes accrued to the State Transit, Aviation & Rail Transportation Fund, which is an enterprise fund and not an operating fund.



### History – Aeronautical Fuels Taxes

Aeronautical gasoline tax was enacted effective July 2, 1931 by PL 1931, c. 239. This law required distributors to keep a record of sales of gasoline used for aeronautical purposes as well as 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 was 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. cc. 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, lobster plates, Black Bear plates and University of Maine System plates accrue as dedicated revenue to be used for special purposes and a portion of excise taxes on nonresident fees accrues to the General Fund. Table II-4 on pages 46 to 48 summarizes the fees collected for motor vehicle registrations and operator’s licenses including driver education licensing fees. (Also see the website of the Department of the Secretary of State (<http://www.maine.gov/sos/bmv/index.html>)).

**Motor Vehicles and Operator's License Fees**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Highway Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$2,146,037	\$62,933,233	\$4,881,918	\$69,961,188
1999	\$2,229,028	\$66,434,630	\$5,177,750	\$73,841,409
2000	\$2,347,366	\$76,705,061	\$4,793,502	\$83,845,929
2001	\$2,393,521	\$78,809,574	\$4,589,868	\$85,792,964
2002	\$2,390,828	\$86,697,140	\$5,559,822	\$94,647,791
2003	\$2,717,664	\$87,202,194	\$3,932,920	\$93,852,778
2004	\$3,088,826	\$87,285,952	\$4,016,399	\$94,391,176
2005	\$3,119,616	\$88,905,481	\$4,393,542	\$96,418,639
2006	\$2,165,993	\$92,032,654	\$4,798,004	\$98,996,651
2007	\$2,146,777	\$91,634,392	\$4,947,990	\$98,729,159

### Revenue Notes – Motor Vehicle & Operator’s License Fees

Revenue collected from Motor Vehicle & Operator’s License Fees accrue primarily to the Highway Fund. The General Fund revenue recorded as Motor Vehicle & Operator’s License Fees is primarily from excise taxes on nonresident motor vehicles, driver’s license restoration fees and vehicle arbitration fees. The revenue collected in Other Special Revenue Funds recorded as Motor Vehicle & Operator’s License Fees includes revenue generated from Conservation and University of Maine System plates and, until fiscal year 2003, revenue from operating authority fees for the mandatory insurance program for motor carriers that accrue to the Transportation Safety Fund. As of fiscal year 2003, the aforementioned revenue from operating authority fees accrues to the Highway Fund. Other Special Revenue Funds revenue in this category also includes revenue generated by the Municipal Excise Tax Reimbursement program.

**TABLE II-4 Motor Vehicle & Operator's License Fees**

**Motor Vehicle and Truck Fees**

Regular Motor Vehicle Plates	\$25.00/year
Restoration Fee	\$25.00
Title Application	\$23.00
Temporary Dealer Plates	\$1.00
Operating Authority Fee	\$8.00
Out-of-Sequence Plates (one-time fee)	\$15.00 <sup>(1)</sup>
Initial Plates (Vanity Plates)	\$15.00/year <sup>(1)</sup>
Conservation Plates – 1 <sup>st</sup> Year	\$20.00 <sup>(1)</sup>
Conservation Plates – Renewal	\$15.00 <sup>(1)</sup>
University of Maine System Plates – 1 <sup>st</sup> Year	\$20.00 <sup>(1)</sup>
University of Maine System Plates – Renewal	\$15.00 <sup>(1)</sup>
Lobster Plate – 1 <sup>st</sup> Year	\$20.00 <sup>(1)</sup>
Lobster Plate – Renewal	\$15.00 <sup>(1)</sup>
Black Bear Plate – 1 <sup>st</sup> Year	\$20.00 <sup>(1)</sup>
Black Bear Plate – Renewal	\$15.00 <sup>(1)</sup>
Wabanaki Plate	No Fee <sup>(1)</sup>
Special Registration Permit Certificate	\$25.00
Transit Plates	\$12.00
Truck Camper Registration Permit	\$12.00
Motorcycles	\$21.00
Antique Motor Vehicles	\$15.00
Horseless Carriage	\$15.00
Stock Cars – Off-road Use Only	\$8.00
Dune Buggies – Off-road Use Only	\$8.00
Street Rod	\$30.00
Mopeds	\$9.00
Automobile – Island Use Only	\$4.00
Reserved Number Fee	\$15.00
Replacement Plate	\$5.00
Duplicate Sticker	\$5.00
Motor vehicle inspection exclusive of repairs, etc.	\$6.50
Enhanced Motor Vehicle Inspections (pre 1996 models)	\$9.50
Enhanced Motor Vehicle Inspections (1996 and later models)	\$12.50
Transfer fees for trailer not exceeding 2,000 lbs.	\$5.00
Transfer fees for motor vehicle, semi-trailer, or trailer over 2,000 lbs.	\$8.00
Transfer fees for semi-trailer in Permanent Registration Program	\$20.00
Trailers, Camp Trailers, and Semi-trailers (annual) not exceeding 2,000 lbs.	\$10.50
Semi-trailers (annual) over 2,000 lbs.	\$20.00
Boat and mobile home trailers generally	\$10.50
Camp trailers in excess of 2,000 lbs.	\$20.00
Special Equipment not exceeding 2,000 lbs.	\$10.00
Special Equipment 2,001 to 5,000 lbs.	\$15.00
Special Equipment over 5,000 lbs.	\$20.00
Special Mobile Equipment Class A – (see table on page 48 for detail)	\$21.00 to \$712.00
Special Mobile Equipment Class B	\$20.00
Truck & tractors registered for gross weight (see detail later in Table II-4)	\$25.00 to \$1,234.00
Farm trucks registered for gross eight (see detail later in Table II-4)	\$21.00 to \$469.00
Motorhomes (see detail later in Table II-4)	\$21.00 to \$469.00
Semipermanent and permanent registration plates (see detail later in Table II-4)	\$5.00 to \$80.00
Experimental Motor Vehicle	\$20/yr for each plate
Firefighter (one-time)	\$5.00 <sup>(1)</sup>

<sup>(1)</sup> In addition to the Regular Motor Vehicle Plates Fee

**TABLE II-4 Motor Vehicle & Operator's License Fees (Continued)**

**Operator's License Fees**

Photo Licenses Class A and B	\$34.00 for 5 years
Photo Licenses Class A & B (for 65 & older)	\$21.00 for 4 years
Photo Licenses Class C	\$30.00 for 6 years
Photo Licenses Class C (for 65 & older)	\$28.00 for 4 years
Operator's permit and examination: Class A and B	\$35.00
Operator's permit and examination: Endorsements	\$10.00
Re-Exam Fee Class A and B	\$30.00
Class A or B No Show (assessed at time of reappointment)	\$20.00
Re-Exam Fee Class C	\$25.00
Class C No Show (assessed at time of reappointment)	\$20.00

**Dealer Fees**

Dealer registration fees	\$150.00/year plus \$20.00 plate
Transporter license	\$150.00/year plus \$20.00 plate
Motorcycle dealer license	\$50.00/year plus \$5.00 plate
Light trailer dealer license	\$50.00/year plus \$5.00 plate
Dealer wrecker plate does not exceed 24,000 lbs.	\$50.00
Dealer wrecker plate does not exceed 80,000 lbs.	\$200.00
Automobile Recycler	\$150.00
Annex License	\$150.00
Secondary Location License	\$100.00
Attended Sales Promotion	\$75.00
Unattended Sales Promotion (based on # of days)	\$50.00-\$150.00
Manufacturer's License	\$1,500.00

**Driver Education Licensing Fees**

Motorcycle Instructor Certification	\$100.00
Motorcycle Classroom Inspection	\$50.00
Motorcycle Driving Range Inspection	\$50.00
Commercial or Non-exempt Non-commercial Driver Education School License	\$125.00
Exempt Non-commercial Driver Education School License	No Fee
Instructor License at Commercial or Non-exempt Non-commercial School	\$80.00
Instructor License at Exempt Non-commercial School	No Fee

**Semi and Permanent Registration Plate Fees**

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

**TABLE II-4 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	\$25.00	42,001 to	45,000	\$450.00
6,001 to	9,000	\$31.00	45,001 to	48,000	\$497.00
9,001 to	12,000	\$48.00	48,001 to	51,000	\$533.00
12,001 to	14,000	\$81.00	51,001 to	54,000	\$568.00
14,001 to	16,000	\$105.00	54,001 to	55,000	\$580.00
16,001 to	18,000	\$130.00	55,001 to	60,000	\$640.00
18,001 to	20,000	\$161.00	60,001 to	65,000	\$699.00
20,001 to	23,000	\$188.00	65,001 to	69,000	\$762.00
23,001 to	26,000	\$220.00	69,001 to	72,000	\$797.00
26,001 to	28,000	\$267.00	72,001 to	75,000	\$821.00
28,001 to	32,000	\$308.00	75,001 to	78,000	\$857.00
32,001 to	34,000	\$342.00	78,001 to	80,000	\$877.00
34,001 to	38,000	\$379.00	80,001 to	90,000	\$982.00
38,001 to	40,000	\$403.00	90,001 to	94,000	\$1,026.00
40,001 to	42,000	\$426.00	94,001 to	100,000	\$1,234.00

**Detail – Farm Trucks and Motorhomes**

Gross Weight in Pounds		Fee	Gross Weight in Pounds		Fee
0 to	6,000	\$21.00	34,001 to	38,000	\$265.00
6,001 to	9,000	\$24.00	38,001 to	40,000	\$276.00
9,001 to	11,000	\$32.00	40,001 to	42,000	\$288.00
11,001 to	14,000	\$39.00	42,001 to	45,000	\$305.00
14,001 to	16,000	\$50.00	45,001 to	48,000	\$322.00
16,001 to	18,000	\$72.00	48,001 to	51,000	\$340.00
18,001 to	20,000	\$84.00	51,001 to	54,000	\$357.00
20,001 to	23,000	\$101.00	54,001 to	55,000	\$365.00
23,001 to	26,000	\$119.00	55,001 to	60,000	\$394.00
26,001 to	28,000	\$137.00	60,001 to	65,000	\$441.00
28,001 to	32,000	\$166.00	65,001 to	69,000	\$469.00
32,001 to	34,000	\$217.00			

**Temporary Registered Gross Weight Increase for Trucks and Farms <sup>(2)</sup>**

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%

<sup>(2)</sup>When a truck is already registered, the owner, by paying an additional fee, may receive a short-term permit allowing the owner to haul loads of larger tonnage for a limited period of 8 months or less. No such permit may be issued for less than one month and no longer than 8 months.

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

**Detail – Special Mobile Equipment – Class A <sup>(3)</sup>**

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

<sup>(3)</sup>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 13**

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, which are described separately. Most of the revenue collected by the department is deposited into the General Fund. Article IX, section 21 of the Maine Constitution requires that the amount of funds appropriated to the department in any fiscal year may not be less than the total amount of revenues collected by the department in that same fiscal year. Table II-5 on the next page provides a list of the hunting and fishing license fees collected by the Department of Inland Fisheries and Wildlife. Also see the website of the Department of Inland Fisheries and Wildlife at (<http://www.maine.gov/ifw>).

### **Hunting and Fishing License Fees**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$13,838,407	\$198,478	\$14,036,885
1999	\$13,873,219	\$206,799	\$14,080,018
2000	\$14,028,485	\$371,728	\$14,400,213
2001	\$13,681,818	\$531,336	\$14,213,154
2002	\$14,857,760	\$653,999	\$15,511,759
2003	\$13,958,510	\$577,556	\$14,536,066
2004	\$16,898,278	\$648,994	\$17,547,271
2005	\$16,691,165	\$785,056	\$17,476,221
2006	\$16,840,079	\$572,620	\$17,412,698
2007	\$16,401,841	\$716,692	\$17,118,533

#### **Revenue Notes – Hunting and Fishing License Fees**

Most of the revenue from hunting and fishing license fees accrues as General Fund revenue. A very small amount of revenue collected from hunting and fishing license fees accrues as Other Special Revenue Funds. The fees that accrue as dedicated revenue are whitewater usage fees and a portion of the snowmobile registration fees.

#### **History – Hunting and Fishing License Fees**

The first recorded hunting licenses were issued in 1899, a special license permitting second deer in September, \$4.00. Non-resident fishing license adopted in 1917, \$2.00. First resident hunting and fishing license were adopted in 1919 at 25¢ for a lifetime license. Non-resident hunting license fees were adopted in 1920 at \$15.00. Since then, laws have been revised to present status as shown by the schedule of fees on the following page.

**TABLE II-5 – Hunting and Fishing License Fees**

<b>Hunting</b>		<b>Fishing</b>	
	<b>Fee</b>		<b>Fee</b>
Resident Hunting	\$21.00	Resident Fishing	\$21.00
Resident Serviceman Hunting	\$10.00	Resident Serviceman Fishing	\$10.00
Lifetime Hunting – Age 0-5	\$150.00	Non-resident Season Fishing	\$52.00
Lifetime Hunting – Age 6-15	\$300.00	Alien Fishing	\$72.00
Lifetime Hunting – Age 65 and above	*	Lifetime Fishing – Age 0-5	\$150.00
Non-resident Big Game	\$102.00	Lifetime Fishing – Age 6-15	\$300.00
Resident Small Game	\$14	Lifetime Fishing – Age 65 and above	*
Non-resident Small Game	\$67.0	Resident/Non-resident 3-Day Fishing	23.00
Non-resident 3-day Small Game	\$42.00	1-Day Fish Exchange Resident	\$10.00
Alien Big Game	\$127.00	3-Day Fish Exchange Resident	\$0.00
Alien Small Game	\$72.00	Non-resident 7-Day Fishing	\$36.00
Resident Junior Hunting	\$7.00	Non-resident Exchange Fishing	\$12.00
Non-resident Junior Hunting	\$27.00	Non-resident 15-Day Fishing	\$40.00
Resident Muzzle-Loading Hunting	\$13.00	Non-resident Junior Fishing	\$9.00
Non-resident Muzzle-Loading Hunting	\$62.00	Alewife, Sucker and Yellow Perch Individual Permit	\$44.00
Alien Muzzle-Loading Hunting	\$72.00	Alewife, sucker and Yellow Perch Crew Permit	\$102.00
Resident Archery	\$21.00	Resident/Non-resident One Day Fishing License	\$11.00
Resident Expanded Archery	\$42.00	Fishing Derby Permit	\$26.00
Non-resident Archery	\$62.00	Boy and Girl Camp Fishing	\$78.00
Non-resident Expanded Archery	\$82.00	One-Day Bass Tournament – Weigh-in/Catch and Release	\$52.00/12.00
Alien Archery	\$72.00	1-Day Fish Exchange Resident Combo	\$27.00
Expanded Archery Antler	\$32.00	Eel Pot Permit	\$102.00
Expanded Archery Antlerless	\$12.00	Fish Pond Stocking	\$10.00
License to Hunt Commercial Shooting Area	\$21.00		
Coyote Hunting Permit (Valid Hunting License Required)	\$4.00		
Pheasant Stamp	\$17.00		
Migratory Waterfowl Stamp	\$7.25		
Resident Bear Hunting Permit	\$27.00		
Non-resident Bear Hunting Permit	\$67.00		
Resident Fall Turkey Permit	\$20.00		
Non-resident Fall Turkey Permit	\$47.00		
Resident Spring Turkey Permit	\$20.00		
Non-resident Spring Turkey Permit	\$47.00		
Resident Moose Application – 1 chance	\$7.00		
Resident Moose Application – 3 chances	\$12.00		
Resident Moose Application – 6 chances	\$22.00		
Non-resident Moose Application – 1 chance	\$15.00		
Non-resident Moose Application – 3 chances	\$25.00		
Non-resident Moose Application – 6 chances	\$35.00		
Non-resident Moose Application – 10 chances	\$55.00		
Resident Moose Permit	\$52.00		
Non-resident Moose Permit	\$477.00		
Bonus Any Deer	\$12.00		

<b>Combination</b>	
Resident Combination Hunting & Fishing	\$38.00
Resident Serviceman's Combination	\$20.00
Resident Serviceman's Combination (Overseas Duty)	\$3.00
Resident Combination Archery Hunting & Fishing	\$38.00
Non-resident Combination Hunting & Fishing	\$137.00
Alien Combination Hunting & Fishing	\$178.00
Lifetime Combo – Age 0-5	\$250.00
Lifetime Combo – Age 6-15	\$500.00
Lifetime Combo – Age 65 and above	*
Superpack	\$200.00

<b>Trapping</b>	
Resident Trapping	\$35.00
Non-resident Trapping	\$310.00
Resident Junior Trapping	\$9.00

<b>Miscellaneous</b>	
Wildlife Exhibit Permit	\$146.00
Wildlife Propagator (2 years)	\$27.00
Wildlife Importation Permit	\$27.00
Falconry	\$26.00/52.00/78.00
Resident Hide Dealer	\$60.00
Special Hide Dealer	\$110.00
Taxidermist	\$77.00
Commercial Shooting Area/ Renewal	\$502.00/252.00
Dog Training Area	\$26.00
Dog Tracking Application	\$27.00
Dog Tracking Permit	\$81.00
Duplicate License Fees	\$2.00
Guide (3 years)	\$81.00
Guide Examination Fee	\$103.00
Whitewater Guide (3 years)	\$89.00
Whitewater Guide Examination Fee	\$103.00
Commercial Whitewater Outfitters	\$353.00
Whitewater Usage Fee	\$1.00
Field Trials Sporting Retrieve Dogs	\$26.00
Fur Seals	\$0.25
Camp Trip Leader/Renewal	\$20.00/15.00
License to Cultivate or Harvest Fish	\$27.00
License to Sell Inland Fish (Commercially grown or imported)	\$27.00
Live Bait Retailer	\$16.00
Baitfish Wholesaler	\$26.00
Smelt Wholesaler	\$71.00
Supersport	\$20.00
License to Operate a Private Fee Pond	427.00

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

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

A listing of ATV, snowmobile and watercraft fees is provided in Table II-6 on page 52.

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 the county.

Of the non-resident snowmobile registration fee, 18% of each fee is credited to the General Fund, 7% is credited to the Snowmobile Enforcement Fund of the Department of Inland Fisheries and Wildlife and 75% is credited to the Snowmobile Trail Fund of the 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 monies are 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. Fifty percent of the revenue from the annual registration fee is credited to the undedicated revenue of the General Fund and the remaining 50% is credited to the ATV Recreational Management Fund administered by the Department of Conservation (12 M.R.S.A. §7854, sub-§4).

**ATV, Snowmobile & Watercraft Fees**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$1,857,218	\$1,604,937	\$3,462,154
1999	\$2,052,897	\$1,676,821	\$3,729,719
2000	\$2,223,168	\$1,762,900	\$3,986,068
2001	\$2,143,124	\$1,997,181	\$4,140,306
2002	\$2,169,025	\$2,649,293	\$4,818,318
2003	\$2,483,836	\$2,823,187	\$5,307,023
2004	\$3,974,511	\$3,102,883	\$7,077,394
2005	\$4,149,038	\$3,379,530	\$7,528,568
2006	\$3,476,885	\$3,325,991	\$6,802,876
2007	\$4,162,079	\$3,765,894	\$7,927,973

**Revenue Notes – ATV, Snowmobile & Watercraft Fees**

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

**History – ATV, Snowmobile, & Watercraft Fees**

The initial annual registration fee for ATV’s was set at \$5 by PL 1983, c. 297. The initial annual registration fee for snowmobiles was set at \$11.25 by PL 1979, c. 420. The initial annual registration fee for watercraft was set at \$5 by PL 1979, c. 420. The fees for each registration category have been amended and increased several times since their initial authorization.

**TABLE II-6 – ATV, Snowmobile & Watercraft Fees**

<b>All-Terrain Vehicle</b>	<b>Fee</b>	<b>Snowmobile</b>	<b>Fee</b>
All-Terrain Vehicle Dealer’s Registration	\$18.00	Resident Snowmobile Registration	\$33.00
All-Terrain Vehicle Dealer’s Plate	\$8.00	Resident Antique Snowmobile Registration (One-Time Fee)	\$33.00
All-Terrain Vehicle Replacement Plate	\$5.50	Non-resident Snowmobile Registration Season	\$68.00
All-Terrain Vehicle Resident Registration	\$33.00	Non-resident Snowmobile Registration 3-day	\$43.00
All-Terrain Vehicle Non-Resident Registration	\$68.00	Non-resident Snowmobile Registration 10-day	\$58.00
All-Terrain Vehicle Duplicate Registration	\$1.00	Snowmobile Rental Agent	\$28.00
All-Terrain Vehicle Sticker	\$1.00	Snowmobile Dealer Fee	\$18.00
All-Terrain Vehicle Registration Transfer	\$4.00	Snowmobile Dealer Plate	\$19.00
All-Terrain Vehicle Dealer Temporary Plate	\$4.00	Snowmobile Dealer Temporary Plate	\$4.00
		Resident Snowmobile Duplicate Registration	\$1.00
		Snowmobile Duplicate Registration Sticker	\$1.00
		Resident Snowmobile Registration Transfer Fee	\$4.00
		Non-resident Snowmobile Dealer Registration	\$18.00
		Non-resident Snowmobile Transfer Registration	\$4.00
		Non-resident Snowmobile Duplicate Registration	\$2.00
		Non-resident Snowmobile Dealer Plate	\$63.00
		Snowmobile Dealer Replacement Plate	\$8.00
<b>Watercraft</b>			
Watercraft Registration – under 10 H.P.	\$10.00		
Watercraft Registration – 11 to 50 H.P.	\$15.00		
Watercraft Registration – 51 to 115 H.P.	\$21.00		
Watercraft Registration – 116 H.P. and over	\$29.00		
Watercraft Registration – personal	\$29.00		
Watercraft Operators License	\$4.00		
Watercraft Duplicate Sticker	\$1.00		
Watercraft Registration Transfer	\$5.00		
Personal Watercraft Rental Agent	\$28.00		
Watercraft Dealer Temporary Plate	\$4.00		

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

All motorboats and personal watercraft operating on the inland waters of the state are required to have a valid lake and river protection sticker. Funds collected from sticker fees are deposited into the Invasive Aquatic Plant and Nuisance Species Fund as dedicated revenue and are used to fund a state program to prevent infestation and to promote the control of invasive aquatic plants such as milfoil. Funding is distributed to the Department of Environmental Protection and to the Department of Inland Fisheries and Wildlife for inspection, public information and enforcement purposes.



### Lake and River Protection Sticker Fees

Fiscal Year	Other Special Revenue Funds		Total Funds
	Environmental Protection	Inland Fisheries & Wildlife	
2002	\$224,577	\$149,714	\$374,291
2003	\$720,631	\$480,401	\$1,201,032
2004	\$620,653	\$413,757	\$1,034,409
2005	\$479,473	\$319,666	\$799,139
2006	\$509,574	\$339,716	\$849,290
2007	\$869,234	\$579,507	\$1,448,741

**Revenue Notes – Lake and River Protection Sticker Fees**

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

**History – Lake & River Protection Sticker Fees**

Effective June 20, 2001; PL 2001, c. 434. Initial fees are established at \$10 for each motorboat and personal watercraft registered in the state and \$20 for each motorboat and personal watercraft with out-of-state registrations.

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

The Department of Marine Resources collects a wide variety of marine-related licensing fees and permit fees. Table II-7 on the next page provides a comprehensive list of all fees collected by the Department of Marine Resources.

### Marine Resources License Fees

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
1998	\$1,810,567	\$729,193	\$2,539,760
1999	\$1,736,390	\$361,505	\$2,097,895
2000	\$1,808,105	\$404,064	\$2,212,169
2001	\$1,833,028	\$400,182	\$2,233,210
2002	\$1,752,284	\$379,863	\$2,132,147
2003	\$1,779,428	\$382,463	\$2,161,890
2004	\$2,029,784	\$638,918	\$2,668,702
2005	\$2,029,848	\$729,274	\$2,759,122
2006	\$1,984,784	\$752,567	\$2,737,350
2007	\$1,932,207	\$717,860	\$2,650,067

**Revenue Notes – Marine Resources License Fees**

Most of the revenue collected by the department is deposited into the General Fund; the remaining dedicated revenues are used to directly support specific programs within the department.

**History – Marine Resources License Fees**

The first recorded fishing licenses appear to have been authorized by PL 1911, c. 69 in the form of clam licenses issued by municipalities at a fee of not less than \$1 and not greater than \$5. Since that time, numerous licenses have been authorized with various fees.

**TABLE II-7 – Marine Resources License Fees**

<b>Commercial Fishing</b>		<b>Fee</b>	<b>Sea Urchin</b>		<b>Fee</b>
Resident Commercial Fishing License (Single)		\$41.00	Sea Urchin Fishing License – dragger		\$111.00
Resident Commercial Fishing License (Crew)		\$111.00	Sea Urchin Fishing License – surcharge – dragger		\$160.00
Non-resident Commercial Fishing License (Crew)		\$418.00	Sea Urchin Fishing License – diver		\$111.00
<b>Scallop</b>		<b>Fee</b>	Sea Urchin Fishing License – surcharge – diver		\$160.00
Scallop Fishing License – non-commercial		\$10.00	Sea Urchin Fishing License – tender		\$111.00
Scallop Fishing License – dragger		\$111.00	Sea Urchin Fishing License – surcharge – tender		\$35.00
Scallop Fishing License – surcharge – dragger		\$100.00	Sea Urchin Fishing License – raker/trapper		\$111.00
Scallop Fishing License – diver		\$111.00	Sea Urchin Fishing License – surcharge – raker/trapper		\$160.00
Scallop Fishing License – surcharge – diver		\$100.00	Sea Urchin Fishing License – temporary		\$31.00
Scallop Fishing License – tender		\$161.00	Sea Urchin Fishing License–surcharge – wholesale seafood license with a sea urchin processor permit		\$1,000.00
Scallop Fishing License – surcharge – tender		\$50.00	Sea Urchin Fishing License–surcharge – wholesale seafood license with a sea urchin buyer permit		\$500.00
<b>Lobster/Crab</b>		<b>Fee</b>	<b>Shellfish</b>		<b>Fee</b>
Lobster/Crab Fishing License – Class I		\$103.75	Commercial Shellfish License		\$115.00
Lobster/Crab Fishing License – Class I – Lobster Promotion Council Surcharge		\$31.25	Commercial Shellfish License over age 70		\$57.50
Lobster/Crab Fishing License – Class I – Seed Fund surcharge		\$10.00	Mahogany Quahog License		\$111.00
Lobster Crab Fishing License – Class II		\$208.50	Mussel License – Hand		\$115.00
Lobster/Crab Fishing License – Class II – Lobster Promotion Council surcharge		\$62.50	Mussel License – Dragger		\$230.00
Lobster/Crab Fishing License – Class II – Seed Fund surcharge		\$20.00	Sea Cucumber	Fee	
Non-resident Lobster/Crab Fishing license – Class III – Seed Fund surcharge		\$180.00	Sea Cucumber Fishing License – dragger		\$111.00
Non-resident Lobster/Crab Fishing License – apprentice		\$622.75	<b>Eel</b>		<b>Fee</b>
Non-resident Lobster/Crab Fishing License – apprentice – Seed Fund surcharge		\$60.00	Eel Pot License		\$108.00
Non-resident Lobster/Crab Fishing License – apprentice under 18		\$306.00	<b>Elver</b>		<b>Fee</b>
Non-resident Lobster/Crab Fishing License – apprentice under 18 – Seed Fund surcharge		\$30.00	Resident Elver – 1 Dip Net		\$91.00
Lobster Trap Tags		\$0.30	Non-resident Elver – 1 Dip Net		\$384.00
Lobster/Crab Fishing License – Class III		\$311.25	Resident – Elver 1 Fyke Net/ Sheldon Trap Only		\$91.00
Lobster/Crab Fishing License – Class III – Lobster Promotion Council surcharge		\$93.75	Non-resident Elver – 1 Fyke Net/ Sheldon Trap Only		\$384.00
Lobster/Crab Fishing License – Class III – Seed Fund surcharge		\$30.00	Resident Elver – 1 Fyke Net/ Trap & Dip Net		\$141.00
Lobster/Crab Fishing License – Class I under age 18		\$51.00	Non-resident Elver – 1 Fyke Net/ Trap & Dip Net		\$434.00
Lobster/Crab Fishing License–Class I under age 18 – Seed Fund surcharge		\$5.00	Resident Elver – 2 Fyke Net/ Traps		\$141.00
Lobster/Crab Fishing License – Class I over age 70		\$51.00	Non-resident Elver – 2 Fyke Net/ Traps		\$434.00
Lobster/Crab Fishing License – Class I over age 70 – Seed Fund surcharge		\$5.00	<b>Worm</b>		<b>Fee</b>
Lobster/Crab Fishing License – student		\$51.00	Marine Worm Digger License		\$43.00
Lobster/Crab Fishing License – student – Seed Fund surcharge		\$5.00	<b>Sea Weed</b>		<b>Fee</b>
Lobster/Crab Fishing License – apprentice		\$104.00	Resident Sea Weed License		\$50.00
Lobster/Crab Fishing License – apprentice – Seed Fund surcharge		10.00	Resident Sea Weed License – supplemental		\$25.00
Lobster/Crab Fishing License – apprentice under 18		\$51.00	Non-resident Sea Weed License		\$200.00
Lobster/Crab Fishing License–apprentice under 18 – Seed Fund surcharge		\$5.00	<b>Dealer Licenses</b>		<b>Fee</b>
Lobster/Crab Fishing License – apprentice over 70		\$51.00	Retail Seafood Dealer License		\$106.00
Lobster/Crab Fishing License – apprentice over 70 – Seed Fund surcharge		\$5.00	Wholesale Seafood Dealer License		\$385.00
Lobster/Crab Fishing License – non-commercial		\$51.00	Wholesale Seafood Dealer License – supplemental		\$75.00
Lobster/Crab Fishing License – non-commercial – Seed Fund surcharge		\$5.00	Wholesale Seafood Dealer License with lobster permit – Lobster Promotion Council surcharge		\$250.00
Non-resident Lobster/Crab Fishing license – Class I		\$622.75	Marine Worm Dealers License		\$55.00
Non-resident Lobster/Crab Fishing license–Class I – Seed Fund surcharge		\$60.00	Marine Worm Dealers License – supplemental		\$22.00
Non-resident Lobster/Crab Fishing license – Class I – under age 18		\$306.00	Elver Dealer		\$1,054.00
Non-resident Lobster/Crab Fishing license–Class I–under age 18–Seed Fund surcharge		\$30.00	Elver Dealer – supplemental		\$54.00
Non-resident Lobster/Crab Fishing license – Class II		\$1,251.00	Shellfish Transport License		\$460.00
Non-resident Lobster/Crab Fishing license – Class II–Seed Fund surcharge		\$120.00	Shellfish Transport License – supplemental		\$150.00
Non-resident Lobster/Crab Fishing license – Class III		\$1,867.25	Limited wholesale shellfish harvester’s license		\$100.00
Non-resident Sea Weed License – supplemental		\$50.00	Lobster Meat permit		\$138.00
<b>Green Crab</b>		<b>Fee</b>	Lobster Transportation License		\$271.00
Resident Green Crab Fishing License		\$33.00	Lobster Transportation License – supplemental		\$54.00
Non-resident Green Crab Fishing License		\$66.00	Lobster Transportation License – Lobster Promotion Council Surcharge		\$250.00
<b>Shrimp</b>		<b>Fee</b>	Duplicate License		\$5.00
Resident Commercial Shrimp License – Single		\$33.00			
Resident Commercial Shrimp License – Crew		\$89.00			
Non-resident Commercial Shrimp License – Crew		\$334.00			

**SARDINE TAX – 36 M.R.S.A c. 713 (Repealed)**

An excise tax at the rate of 15¢ per case was imposed upon the privilege of packing sardines and an excise tax of 10¢ per case was imposed on kippers, steaks and other canned herring products. Collected funds were transferred to the Maine Sardine Council and used to advertise, research, study and conserve the industry. The sardine tax was repealed effective March 1, 2000.

**Sardine Tax**

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$185,767	\$185,767
1999	\$90,629	\$90,629
2000	\$89,284	\$89,284

**Revenue Notes – Sardine Tax**

Revenue from the Sardine Tax accrued as dedicated revenue until its repeal in fiscal year 2000.

**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. Repealed by PL 1999, c. 678, effective March 1, 2000.

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

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

**Salmon Tax**

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$263,918	\$263,918
1999	\$282,148	\$282,148
2000	\$284,355	\$284,355
2001	\$392,295	\$392,295
2002	\$216,541	\$216,541
2003	\$123,590	\$123,590
2004	\$231,548	\$231,548
2005	\$19,682	\$19,682

**Revenue Notes – Salmon Tax**

Revenue from this excise tax accrued as dedicated revenue to the Department of Marine Resources. The authority to set the tax by rule and to collect the tax was repealed in fiscal year 2004-05.

**History – Salmon Tax**

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

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

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

<b>Type of License</b>	<b>Fee</b>
Atlantic Salmon License, resident	\$15.00
Atlantic Salmon License, non-resident, 16 years of age or older, season license	\$30.00
Atlantic Salmon License, non-resident, 16 years of age or older, 3-day license	\$15.00
Atlantic Salmon License, non-resident, under 16 years of age	\$5.00
Atlantic Salmon Agents Fees	\$2.00
Atlantic Salmon Duplicate License	\$1.00

**Atlantic Salmon License Fees**

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$9,669	\$9,669
1999	\$6,413	\$6,413
2000	\$2,023	\$2,023
2001	\$14	\$14

**Revenue Notes – Atlantic Salmon License Fees**

Revenue from these license fees accrues as dedicated revenue. The Atlantic salmon fishery has been closed since 2000; therefore no license revenues have been collected in recent years.

**History – Atlantic Salmon License Fees**

First authorized by PL 1979, c. 420; \$1 for resident Atlantic Salmon permit and \$15 for non-resident 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 wholesale distribution. One purpose of this tax is to fund the Mahogany Quahog Monitoring Fund established in 12 M.R.S.A. §6731-A. Beginning July 1, 2004, the Mahogany Quahog Monitoring Fund receives either 58% or \$56,000 of this tax revenue, whichever is greater, and the remainder is credited to the General Fund.

### Mahogany Quahog Tax

Fiscal Year	General Fund	Other Special Revenue Funds	Total All Funds
1998	\$44,122	\$16,000	\$60,122
1999	\$54,605	\$16,000	\$70,605
2000	\$60,694	\$16,000	\$76,694
2001	\$72,003	\$16,000	\$88,003
2002	\$77,487	\$16,000	\$93,487
2003	\$75,628	\$16,000	\$91,628
2004	\$30,520	\$56,000	\$86,520
2005	\$45,532	\$56,000	\$101,532
2006	\$40,835	\$56,391	\$97,227
2007	\$32,541	\$60,688	\$93,229

#### Revenue Notes – Mahogany Quahog Tax

The Other Special Revenue Funds amounts are dedicated to the Toxin Monitoring Fund. The remainder 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 the rate to \$1.20 per bushel. Amended PL 2003, c. 20 §WW-28 to increase from \$16,000 to \$56,000 the amount set aside for the Toxin Monitoring Fund effective July 1, 2003. PL 2003, c. 593 changed the name of the Toxin Monitoring Fund to the Mahogany Quahog Monitoring Fund and changed its share of revenues to the greater of 58% or \$56,000.

### **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 these fees are dedicated to particular programs from which they are generated. These various fees have been divided into three major revenue categories. They are Oil Transfer Fees, Environmental License Fees, and Other Miscellaneous Fees.

#### **Oil Transfer Fees**

Oil Transfer Fees category accrue to the Groundwater Oil Cleanup Fund and the Maine Coastal and Inland Surface Cleanup Fund. Revenues for the Groundwater Oil Cleanup Fund are derived from fees on petroleum products including fees on the transfer of oil products at marine oil terminal facilities, fees on the over-the-road/over-the-rail transportation of oil and the receipt of annual underground tank registration fees. This fee is not assessed on petroleum products that are exported from this state. The fund provides money for response to spills, clean-up of sites contaminated by leaking underground storage tanks and restoration of contaminated water supplies. The balance in the fund is limited to \$12,500,000 and the Personal Services expenses of required staff may not exceed \$3,700,000 annually, subject to a 4% annual adjustment. Funding for the Main Coastal and Inland Surface Oil Clean-up Fund is derived from fees on the transportation of oil into Maine via the Portland Pipeline, marine oil terminal facilities, the over-the road/over-the-rail transportation of oil and interest earned on the fund balance. This fund provides money for the personnel and equipment required for responding to surface oil spills as well as the

cost of the removal of the discharges and the restoration of contaminated water supplies. There is a statutory cap on the fund balance of \$6,000,000. When the cap is reached, the assessment of fees is discontinued. The fund is the major “insurance” pool to enable the state to respond to surface water oil spills, including those which may be catastrophic.

**Environmental Licensing Fees**

The Environmental Licensing Fees revenue category consists of revenue from fees established for the licensing and compliance programs for land, air, water and solid waste control activities.

**Other Environmental Fees**

This category includes the collection of fees from the registration of underground petroleum fuel storage tanks, recoveries of clean up costs from responsible parties, the generation of hazardous waste on site and the generation of hazardous waste off site, a transport fee for hazardous waste and a fee on waste oil.

A complete list of all fees charged by the Department of Environmental Protection is on file at the Office of Fiscal and Program Review or may be accessed at the Department of Environmental Protection’s website (<http://www.maine.gov/dep/feesched.pdf>).

**Environmental Protection Fees**

Fiscal Year	General Fund	Other Special Revenue Funds			Total All Funds
	Other Environmental Fees	Oil Transfer Fees	Environmental License Fees	Other Environmental Fees	
1998	\$12,760	\$15,874,369	\$3,977,317	\$1,190,969	\$21,055,415
1999	\$11,120	\$13,765,693	\$4,521,062	\$1,099,340	\$19,397,215
2000	\$11,550	\$10,808,678	\$4,695,729	\$1,111,675	\$16,627,632
2001	\$10,513	\$18,094,965	\$4,716,645	\$1,003,238	\$23,825,360
2002	\$9,625	\$16,162,115	\$5,998,562	\$1,042,636	\$23,212,937
2003	\$10,075	\$22,153,683	\$5,035,339	\$1,238,706	\$28,437,803
2004	\$10,000	\$22,835,432	\$5,680,058	\$1,399,402	\$29,924,893
2005	\$9,667	\$17,734,543	\$5,839,101	\$1,128,605	\$24,711,916
2006	\$1,454	\$17,529,599	\$5,612,912	\$1,517,760	\$24,661,725
2007	\$0	\$21,251,754	\$5,682,619	\$1,820,030	\$28,754,402

**Revenue Notes – Environmental Protection Fees**

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

**History – Environmental Protection Fees**

The first instance of pollution licensing fees appears to have been a \$50 fee charged for a water discharge license administered by the Sanitary Water Board; PL 1945, c. 345. Numerous adjustments have taken place and new fees have been established since 1945. PL 2005, c. 157 establishes a one-time fee of up to \$350 for general permit coverage for industrial storm water discharges. This fee authority terminated on September 30, 2006. PL 2005, c. 602 established an annual fee of up to \$300 for general permit coverage for industrial storm water discharges pursuant to the waste discharge laws. PL 2005, c. 491 assessed an annual \$35 registration fee on above ground

motor fuel storage tanks that have underground piping. PL 2005, c. 549 adjusted fees for the transport and disposal of hazardous waste, eliminated the disparity between the fee charged for the transport of waste within Maine and waste transported into Maine from another jurisdiction and authorized the Board of Environmental Protection to assess a fee for registration of biomedical waste generators.

**RECYCLING ASSISTANCE FEES – 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. An exclusion, exemption or credit provided in the sales and use tax law also applies 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 that 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.

**Recycling Assistance Fees**

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$1,129,261	\$1,129,261
1999	\$1,331,814	\$1,331,814
2000	\$1,199,838	\$1,199,838
2001	\$1,289,358	\$1,289,358
2002	\$1,340,546	\$1,340,546
2003	\$1,340,422	\$1,340,422
2004	\$1,469,311	\$1,469,311
2005	\$1,704,900	\$1,704,900
2006	\$1,504,233	\$1,504,233
2007	\$1,902,773	\$1,902,773

**Revenue Notes – Recycling Assistance Fees**

As noted above, the revenue from this source accrues as dedicated revenue. In previous versions of this report, this revenue was included under Service Charges for Current Services.

**History – Recycling Assistance Fees**

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.

**MILK HANDLING FEE – 36 M.R.S.A. §4902**

A fee is imposed on the handling of packaged milk for retail sale in the state. The fee rate is determined monthly in relation to the price of milk. The fee ranges from \$0.00 per quart when the price of milk is \$18.50 per hundredweight or more to \$0.12 per quart when the price of milk is below \$16.00 per hundredweight. There is no fee on the handling in this state of packaged milk for sale in containers that were less than one quart or 20 or more quarts in volume, or

packaged milk that is sold to an institution that is owned or operated by the State or Federal Government.

**Milk Handling Fee**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Total All Funds</b>
2006	\$1,867,527	\$1,867,527
2007	\$2,561,972	\$2,561,972

**Revenue Notes – Milk Handling Fee**

Revenue from this fee accrues as General Fund revenue.

**History – Milk Handling Fee**

Enacted by PL 2005, c.396, effective June 17, 2005.

**MILK HANDLING TAX – 36 M.R.S.A. c. 716 (Repealed)**

A tax was imposed on the handling of packaged milk for retail sale in the state. The tax rate was established monthly in relation to the price of milk. The tax varied from \$0.00 per quart when the price of milk was \$16.50 per hundredweight or more to \$0.06 per quart when the price of milk is below \$14.00 per hundredweight. There was no tax on the handling in this state of packaged milk for sale in containers that were less than one quart or 20 or more quarts in volume, or packaged milk that was sold to an institution that was owned or operated by the State or Federal Government.

**Milk Handling Tax**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Total All Funds</b>
1997	\$644,529	\$644,529
1998	\$489,091	\$489,091
1999	\$75,143	\$75,143

**Revenue Notes – Milk Handling Tax**

Revenue from this tax accrued as General Fund revenue.

**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.

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

A fee determined by the Maine Milk Commission within the Department of Agriculture, 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. A fee of \$0.015 per hundredweight on all milk sold within the state is paid to the Maine Dairy and Nutrition Council.

**Milk Pool and Other Milk Fees**

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$2,950,481	\$2,950,481
1999	\$2,703,746	\$2,703,746
2000	\$1,676,442	\$1,676,442
2001	\$2,270,055	\$2,270,055
2002	\$644,213	\$644,213
2003	\$3,260,332	\$3,260,332
2004	\$3,142,469	\$3,142,469
2005	\$2,029,416	\$2,029,416
2006	\$2,797,256	\$2,797,256
2007	\$4,075,863	\$4,075,863

**Revenue Notes –Milk Pool and Other Milk Fees**

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

**History –Milk Pool and Other Milk Fees**

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

**BLUEBERRY TAX – 36 M.R.S.A. c. 701**

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

**Blueberry Tax**

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$824,616	\$824,616
1999	\$685,101	\$685,101
2000	\$744,755	\$744,755
2001	\$1,211,756	\$1,211,756
2002	\$1,391,281	\$1,391,281
2003	\$1,031,403	\$1,031,403
2004	\$1,330,112	\$1,330,112
2005	\$893,062	\$893,062
2006	\$1,007,374	\$1,007,374
2007	\$1,233,229	\$1,233,229

**Revenue Notes – Blueberry Tax**

Revenue from this tax accrues as dedicated revenue.

**History – Blueberry Tax**

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

**POTATO TAX – 36 M.R.S.A. c. 710**

A tax is levied and imposed at the rate of \$0.05 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.

**Potato Tax**

<b>Fiscal Year</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$751,943	\$751,943
1999	\$776,689	\$776,689
2000	\$665,941	\$665,941
2001	\$672,482	\$672,482
2002	\$724,021	\$724,021
2003	\$683,182	\$683,182
2004	\$723,516	\$723,516
2005	\$644,764	\$644,764
2006	\$702,871	\$702,871
2007	\$690,122	\$690,122

**Revenue Notes – Potato Tax**

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

**History – Potato Tax**

Adopted 1937. Amended in 1955 increasing tax from 1¢ to 2¢ per barrel. Amended in 1972 to \$0.12 per hundredweight. Amended to \$0.25 per hundredweight, effective October 1, 1975. Amended to \$0.5 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 mineral rights. The annual excise tax on each mine site is the greater of:

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

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 2007.

**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 Off-Track Betting Simulcast Fund, the Stipend Fund, the Purse Supplement Fund, and the Harness Racing Promotional Fund or retained by or returned to race tracks and off-track betting facilities.

**Pari-Mutuel Revenue**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$952,793	\$3,052,893	\$4,005,686
1999	\$1,154,045	\$3,533,092	\$4,687,137
2000	\$1,084,560	\$3,285,250	\$4,369,810
2001	\$1,097,027	\$3,600,272	\$4,697,298
2002	\$1,108,390	\$3,751,177	\$4,859,566
2003	\$1,089,556	\$3,673,532	\$4,763,089
2004	\$1,039,719	\$3,472,412	\$4,512,131
2005	\$967,495	\$3,274,455	\$4,241,950
2006	\$918,215	\$2,816,289	\$3,734,504
2007	\$903,916	\$2,584,049	\$3,487,965

**Revenue Notes – Pari-Mutuel Revenue**

The General Fund revenue reflects a small amount of revenue generated by license fees for harness horse racing. The Other Special Revenue Funds amounts reflect the amounts accruing to the various dedicated accounts.

**History – Pari-Mutuel Revenue**

Adopted 1935. Amended several times to adjust the percentage take-outs on types of wagers and the percentages of distribution to the various funds. Amended 1991, reducing rates and allowing off-track betting. Amended 1993, specifying take-outs from off-tracking betting facilities and establishing the Harness Racing Promotional Fund. Amended in 1995 to increase the Agricultural Fair Stipend to \$400,000. In 1997, the cap on wagers for the Commercial Meet Stipend Fund was increased from \$33.5 to \$35 million.

**RACINO REVENUE – 8 M.R.S.A. c. 31**

“Racino” revenue is collected from slot machines which are currently authorized to be located on the premises of one commercial racetrack in Bangor and from various licensing and registration fees that are levied upon the private entities that own and operate the slot machines. Under current law (8 MRSA §1036), 1% of the gross slot income (the amount collected from slot machine players) is distributed to the General Fund as well as 3% of the net slot machine income

(the amount that is distributed to the owner and various governmental purposes after paybacks to the winning players). In addition, 8 MRSA §1036 also requires that 61% of the remaining net slot machine income be distributed to the slot machine operator and that the remaining 36% be distributed to state entities in the following manner: 10% to the Fund for Healthy Maine; 10% to Purse Supplements; 4% to the Fund to Encourage Racing at Commercial Tracks; 3% to the Sire Stakes Fund; 3% to the Agricultural Fair Support Fund; 2% to the Fund to Stabilize Off-Track Betting; 2% to the University of Maine Scholarship Fund; 1% to scholarship funds for the Maine Community College System and 1% to Resident Municipalities. As required by the provisions of 8 M.R.S.A §1018, the following registration and licensing fees are deposited into the General Fund: A \$100 initial and annual registration fee for registered slot machines; \$200,000 for initial application fee for slot distributor license with an annual renewal fee of \$75,000; \$200,000 for initial application fee for slot machine operator license with an annual renewal fee of \$75,000 plus a fee determined by rule; \$2,000 annual application fee for gambling services vendors and \$250 for the initial application fee for employee license with an annual renewal fee of \$25. In addition, \$25,000 of the annual renewal fee for slot machine operators must be sent to the municipality where the slot machine facility is located.

**Racino Revenue**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Fund For Healthy Maine</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
2005	\$401,115	\$0	\$0	\$401,115
2006	\$4,346,725	\$1,771,173	\$4,630,049	\$10,747,947
2007	\$7,703,401	\$3,538,805	\$9,225,892	\$20,468,098

**Revenue Notes – Racino Revenue**

Fiscal year 2005 revenue represents license fee and background check reimbursement revenue, which accrue to the General Fund. A temporary facility opened in November 2005 and slot machine revenue began to accrue in fiscal year 2006. A larger permanent slot machine facility is scheduled to be opened in August of 2008.

**History – Racino Revenue**

First authorized by IB 2003, c. 1, which was effective January 4, 2004 and was enacted into law as 8 MRSA, c. 30. 8 MRSA c. 30 was repealed and replaced by PL 2003, c. 687, 8 MRSA c. 31, implementing several technical amendments. PL 2005, c. 11 and PL 2005, c. 663 also implemented some additional technical amendments.

**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 Tri-State Lottery Compact. The Maine Lottery is also a member of the Powerball Multistate Lottery. Pursuant to Title 12 M.R.S.A., Chapter 714, the Maine Lottery also administers a wildlife lottery game to raise funds for the Maine Outdoor Heritage Fund. Maine Law (Title 8 M.R.S.A., §387) requires that at least 45% of sales must be returned to the

players in the form of prizes. The actual distribution of lottery revenue in fiscal year 2007 was as follows:

- 62.6% - Prizes
- 7.2% - Agent Commissions
- 5.1% - Vendor Fees
- 0.3% - Other Cost of Goods Sold
- 2.6% - Lottery Operating Expenses
- 21.8% - Transfer to General Fund
- 0.4% - Transfer to Outdoor Heritage Fund

### **Lottery Revenue**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$40,742,121	\$1,104,572	\$41,846,693
1999	\$39,600,544	\$1,757,809	\$41,358,353
2000	\$38,138,174	\$1,432,704	\$39,570,878
2001	\$35,483,595	\$1,355,623	\$36,839,218
2002	\$39,317,891	\$1,171,888	\$40,489,779
2003	\$39,442,111	\$811,296	\$40,253,407
2004	\$41,272,645	\$766,643	\$42,039,288
2005	\$49,328,102	\$800,309	\$50,128,411
2006	\$50,879,647	\$908,065	\$51,787,711
2007	\$50,624,741	\$810,598	\$51,435,339

#### **Revenue Notes – Lottery Revenue**

Other Special Revenue Funds above are the amounts that accrued to the Outdoor Heritage Fund.

#### **History – Lottery Revenue**

Approved at public referendum in 1973. Amended in 1985 to allow Maine’s participation in the Tri-State Lotto Compact. Amended in 1990 to allow the Lottery to participate in an additional multi-state lottery, Lotto\*America. Maine stopped participating in Lotto\*America in April 1992. Amended in 1995 to require the Lottery to initiate a wildlife lottery game to raise funds for the Maine Outdoor Heritage Fund (PL 1995, c. 494). Amended in 2004 to allow participation in the Powerball multistate lottery beginning in fiscal year 2005 (PL 2005, c. 673).

### **REVENUE FROM FEDERAL GOVERNMENT**

This category of revenue includes funds received from the Federal Government. The largest portion of these revenues occurs 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 at both adult and juvenile facilities. 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 From Federal Government**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Highway Fund</b>	<b>Other Special Revenue Funds</b>	<b>Federal Funds</b>	<b>Total All Funds</b>
1998	\$5,425,165	\$0	\$11,813,608	\$1,317,926,161	\$1,335,164,933
1999	\$8,436,128	\$0	\$3,605,186	\$1,363,927,351	\$1,375,968,664
2000	\$11,260,097	\$0	\$6,818,073	\$1,459,863,544	\$1,477,941,715
2001	\$16,522,149	\$0	\$7,505,296	\$1,508,396,006	\$1,532,423,451
2002	\$21,577,790	\$0	\$4,786,456	\$1,674,742,981	\$1,701,107,227
2003	\$22,803,551	\$0	(\$6,613,270)	\$1,909,945,381	\$1,926,135,661
2004	\$23,138,061	\$0	(\$3,160,876)	\$2,310,578,839	\$2,330,556,025
2005	\$24,307,990	(\$5)	\$1,510,119	\$2,297,239,267	\$2,323,057,372
2006	\$17,987,029	\$0	\$1,183,021	\$2,353,186,448	\$2,372,356,498
2007	\$15,310,753	\$0	\$1,103,062	\$2,149,689,576	\$2,166,103,391

**REVENUE FROM LOCAL GOVERNMENTS**

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

**Revenue From Local Governments**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Highway Fund</b>	<b>Other Special Revenue Funds</b>	<b>Federal Funds</b>	<b>Total All Funds</b>
1998	\$84,664	\$74,217	\$6,521,303	\$490,939	\$7,171,123
1999	\$45,492	\$40,795	\$9,888,860	\$968,884	\$10,944,031
2000	\$3,886	\$85,190	\$9,071,016	\$430,753	\$9,590,844
2001	\$1,075	\$114,063	\$6,621,890	\$1,100,207	\$7,837,235
2002	\$14,871	\$40,227	\$7,049,284	\$808,850	\$7,913,233
2003	\$1,000,810	\$41,634	\$9,950,910	\$198,905	\$11,192,259
2004	\$5,893,998	\$18,318	\$8,991,141	\$160,500	\$15,063,957
2005	\$1,768,145	\$19,138	\$8,797,275	\$245,654	\$10,830,212
2006	\$56,981	\$11,280	\$8,896,197	\$391,897	\$9,356,355
2007	\$116,311	\$11,182	\$12,283,924	\$439,082	\$12,850,500

## **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, which primarily accrue to Other Special Revenue Funds and represent the bulk of the revenue collected under this category. Child Support collections also accrue as General Fund revenue to offset General Fund expenditures for certain programs within the Department of Health and Human Services.

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

### **Revenue From Private Sources**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Highway Fund</b>	<b>Other Special Revenue Funds</b>	<b>Federal Funds</b>	<b>Total All Funds</b>
1998	\$1,961,750	\$20	\$88,450,723	\$5,017,797	\$95,430,291
1999	\$2,033,345	(\$2)	\$95,957,703	\$9,242,919	\$107,233,965
2000	\$2,133,614	\$24,264	\$113,364,592	\$8,048,071	\$123,570,541
2001	\$2,806,444	\$1,119	\$99,652,327	\$10,965,846	\$113,425,737
2002	\$2,697,353	\$40	\$122,766,105	\$8,438,730	\$133,902,228
2003	\$2,723,741	(\$1,444)	\$105,191,174	\$2,498,177	\$110,411,649
2004	\$4,039,413	\$0	\$124,396,157	\$5,472,294	\$133,907,864
2005	\$2,663,763	\$0	\$116,715,289	\$4,329,775	\$123,708,827
2006	\$2,844,966	\$0	\$114,854,966	\$5,242,267	\$122,942,199
2007	\$2,087,766	\$0	\$109,441,799	\$4,239,368	\$115,768,933

## **TOBACCO SETTLEMENT PAYMENTS**

This revenue category accruing to the Fund for a Healthy Maine includes the on-going Tobacco Settlement Payments (TSP) from tobacco manufacturers under the Master Settlement Agreement (MSA), including the initial payments that were approximately \$16 million per year but ended in fiscal year 2003. Under the MSA, there are numerous adjustments that affect the annual payment. These include the inflation adjustment and volume adjustments.

Another adjustment, the NPM Adjustment, if applicable, reduces payments by participating manufacturers (PMs) for a given sales year related to market share losses by PMs to non-participating manufacturers (NPMs). Under the MSA, if a state has diligently enforced its Qualifying Statute, the NPM adjustment is not applied to that state's payment. Beginning in 2006, the PMs asserted they were entitled to have the NPM adjustment applied to specified MSA payments. Certain PMs placed in a disputed payments account the amounts they argue they are entitled to according to the NPM adjustment. This disputed amount was held back from payments received by the state in April 2006 and April 2007. Whether the PMs are entitled to the NPM adjustment is disputed by the states and is in the complex process of being resolved for each contested year.

### Tobacco Settlement Payments

Fiscal Year	Fund for a Healthy Maine				Total All Funds
	Initial Payments	Base Payments	Trust Fund Transfer	Other Payments	
2000	\$35,541,456	\$27,422,283	\$0	\$212,904	\$63,176,643
2001	\$16,839,539	\$30,926,515	(\$11,099,592)	\$53,226	\$36,719,687
2002	\$16,236,644	\$39,669,654	\$0	\$411,464	\$56,317,762
2003	\$16,458,172	\$39,348,861	\$0	\$0	\$55,807,033
2004	\$0	\$48,952,964	\$0	\$0	\$48,952,964
2005	\$0	\$49,033,129	\$0	\$0	\$49,033,129
2006	\$0	\$45,011,759	\$0	\$0	\$45,011,759
2007	\$0	\$47,113,687	\$0	\$0	\$47,113,687

#### Revenue Notes – Tobacco Settlement Payments

Revenue from Tobacco Settlement Payments accrues to the Fund for a Healthy Maine, which is considered a separate fund by the Legislature, but is included in Other Special Revenue Funds in the state’s accounting system. For fiscal year 2001, \$11,094,948 was allocated to the Trust Fund for a Healthy Maine, and \$11,099,592 was transferred to the Trust Fund. The Trust Fund was subsequently repealed and the balance net of investment losses (\$10,512,055) was transferred to the General Fund.

### 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 Health and 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. 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.

#### Service Charges for Current Services

Fiscal Year	General Fund	Highway Fund	Other Special Revenue Funds	Federal Funds	Total All Funds
1998	\$14,363,203	\$4,270,438	\$59,975,872	\$2,293,569	\$80,903,082
1999	\$17,779,368	\$4,047,089	\$57,124,678	\$2,888,012	\$81,839,148
2000	\$21,925,084	\$4,179,574	\$53,750,599	\$2,115,537	\$81,970,794
2001	\$27,119,023	\$3,966,475	\$58,943,893	\$8,163,730	\$98,193,122
2002	\$28,123,727	\$4,396,775	\$62,376,979	\$6,526,516	\$101,423,998
2003	\$26,585,009	\$5,105,169	\$73,663,929	\$4,672,674	\$110,026,781
2004	\$35,827,032	\$4,793,994	\$73,729,156	\$6,565,008	\$120,915,190
2005	\$30,924,909	\$4,811,988	\$132,702,367	\$5,111,891	\$173,551,156
2006	\$35,065,106	\$5,223,443	\$140,626,746	\$4,104,944	\$185,020,239
2007	\$30,192,401	\$5,270,563	\$105,499,201	\$1,952,994	\$142,915,160



## **CONTRIBUTIONS 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. Unclaimed property is turned over to the State Treasurer and the funds are deposited into the Unclaimed Property Fund. At the end of each fiscal year, amounts in excess of \$500,000 in that fund are transferred to the General Fund. Major transfers from the General Fund to Other Special Revenue Funds include the transfer to the Maine Clean Elections Fund beginning in fiscal year 1999 and the transfer to the Maine Milk Pool beginning in fiscal year 2006.

### **Contributions and Transfers from Other Funds**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Highway Fund</b>	<b>Other Special Revenue Funds</b>	<b>Federal Funds</b>	<b>Total All Funds</b>
1998	\$9,677,049	\$0	(\$16,688,605)	(\$1,425,572)	(\$8,437,129)
1999	\$4,184,026	\$334,666	\$4,768,471	\$95,410	\$9,382,573
2000	\$7,678,790	\$2,262	\$7,024,224	\$1,360,335	\$16,065,612
2001	\$3,166,222	\$425	(\$19,058,508)	(\$1,251,566)	(\$17,143,427)
2002	\$7,051,635	\$0	\$5,755,944	\$76,702	\$12,884,281
2003	\$6,644,899	\$1,852,792	\$12,188,812	(\$78,543)	\$20,607,961
2004	\$19,331,546	\$1,860,604	\$23,229,935	\$6,508	\$44,428,593
2005	\$9,649,312	\$1,599,006	\$17,495,307	\$11,748	\$28,755,374
2006	\$1,808,432	\$1,739,426	\$15,567,992	\$222,550	\$19,338,400
2007	(\$358,634)	\$1,989,389	\$14,887,196	\$208,918	\$16,726,868

## **STATE COST ALLOCATION PROGRAM TRANSFERS**

A charge is made against certain Highway Fund, Federal Funds, Other Special Revenue Funds, Internal Service Funds and Enterprise Funds expenditures. These expenditures include Personal Services and All Other expenditures, except grants and pensions and exclude Capital Expenditures. The charge is 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. This revenue accrues to the General Fund. The Highway Fund amounts reflect revenue that offsets the expenditures made for the operations and maintenance associated with certain buildings and grounds.

**State Cost Allocation Program Transfers**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Highway Fund</b>	<b>Total All Funds</b>
1998	\$5,854,150	\$874,825	\$6,728,975
1999	\$6,976,288	\$1,336,545	\$8,312,833
2000	\$7,889,111	\$746,901	\$8,636,012
2001	\$6,044,287	\$835,181	\$6,879,467
2002	\$10,231,443	\$737,187	\$10,968,630
2003	\$10,986,971	\$1,669,827	\$12,656,798
2004	\$10,438,262	\$1,705,287	\$12,143,549
2005	\$12,891,574	\$1,726,662	\$14,618,237
2006	\$13,281,561	\$1,750,557	\$15,032,118
2007	\$15,428,622	\$1,890,585	\$17,319,208

**Revenue Notes – State Cost Allocation Program Transfers**

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

**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 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.

**Sales and Compensation For Loss of Property**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Highway Fund</b>	<b>Other Special Revenue Funds</b>	<b>Federal Funds</b>	<b>Total All Funds</b>
1998	\$429,971	\$84,089	\$2,713,222	\$23,423	\$3,250,704
1999	\$630,588	\$134,736	\$2,555,398	\$75,858	\$3,396,580
2000	\$318,244	\$344,691	\$2,583,367	\$17,252	\$3,263,554
2001	\$404,748	\$546,773	\$3,517,303	\$12,496	\$4,481,321
2002	\$94,363	\$562,732	\$4,495,378	(\$4,402)	\$5,148,070
2003	\$33,028	\$609,945	\$3,534,834	\$4,255	\$4,182,061
2004	\$509,595	\$935,706	\$4,167,337	\$20,529	\$5,633,166
2005	\$231,947	\$5,414,407	\$3,929,316	\$12,267	\$9,587,937
2006	\$224,145	\$347,302	\$5,052,289	\$27,191	\$5,650,927
2007	\$118,728	\$217,945	\$3,364,354	\$7,062	\$3,708,090

## **FINES, FORFEITS AND PENALTIES**

This revenue category includes all revenue, collected primarily by the Judicial System, related to fines and penalties. This category also includes certain collection expenses of Maine of Revenue Services as well as some fines and penalties collected directly by other agencies. Interest and penalties for the late payment of taxes are not included. These penalties and interest are classified with the tax associated with the collection. While most fines are undedicated revenue accruing to the State's General Fund, there are some instances where the fine and penalty revenue accrue 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 collect several surcharges of fines, forfeitures and penalties that are recorded under this class of revenues. Most of these surcharges accrue as dedicated revenue under Other Special Revenue Funds and are designated for specific uses.

### **Fines, Forfeitures and Penalties**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Highway Fund</b>	<b>Other Special Revenue Funds</b>	<b>Federal Funds</b>	<b>Total All Funds</b>
1998	\$24,852,353	\$1,766,368	\$4,502,158	\$0	\$31,120,879
1999	\$25,602,183	\$1,952,025	\$5,400,918	\$0	\$32,955,126
2000	\$26,154,983	\$2,145,602	\$6,220,353	\$16,666	\$34,537,604
2001	\$26,525,142	\$2,097,609	\$11,951,919	\$337,989	\$40,912,659
2002	\$26,588,960	\$1,958,350	\$7,075,886	\$77,249	\$35,700,445
2003	\$26,991,935	\$2,531,692	\$5,614,743	\$48,788	\$35,187,158
2004	\$38,219,275	\$1,918,703	\$6,950,985	\$202,506	\$47,291,469
2005	\$35,506,972	\$1,518,580	\$6,708,305	\$66,261	\$43,800,117
2006	\$37,781,055	\$1,809,813	\$8,306,468	\$11,024	\$47,908,360
2007	\$41,415,132	\$1,668,000	\$9,272,474	\$30,522	\$52,386,127

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

The Treasurer of State is authorized to deposit money in the State Treasury with any national bank or in any banking institution, trust company, state or federal savings and loan association or mutual savings bank organized under the laws of this state or having a location 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 and its agencies and instrumentalities that mature in no more than 36 months or in collateralized repurchase agreements that mature within the succeeding 12 months, prime commercial paper, tax-exempt obligations and corporate bonds rated "AAA" that mature in no more than 36 months, banker's acceptances or so-called "no-load" shares of any investment company registered under the federal Investment Company Act of 1940 as amended that comply with Rule 2a-7 guidelines and maintain a constant share price. 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 is credited to the General Fund.

**Earnings on Investments**

<b>Fiscal Year</b>	<b>General Fund</b>	<b>Highway Fund</b>	<b>Other Special Revenue Funds</b>	<b>Federal Funds</b>	<b>Total All Funds</b>
1998	\$12,145,209	\$1,521,246	\$2,773,639	\$0	\$16,440,094
1999	\$19,760,828	\$3,031,603	\$11,559,260	\$32,191	\$34,383,881
2000	\$20,312,457	\$3,997,979	\$10,522,487	\$142,412	\$34,975,336
2001	\$16,365,950	\$4,241,955	\$13,126,031	\$320,781	\$34,054,717
2002	\$3,829,583	\$2,857,209	\$2,476,280	\$2,296,123	\$11,459,195
2003	\$2,345,855	\$1,338,794	\$2,968,771	\$573,289	\$7,226,708
2004	\$2,310,207	\$720,046	\$695,548	\$336,245	\$4,062,046
2005	\$5,854,625	\$1,440,739	\$1,884,226	\$268,375	\$9,447,966
2006	\$8,271,869	\$1,833,806	\$3,536,111	\$662,999	\$14,304,786
2007	\$1,215,836	\$1,105,987	\$4,602,617	\$741,801	\$7,666,242

**History – Earnings on Investments**

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

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

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

**Revenue from the Maine Turnpike Authority**

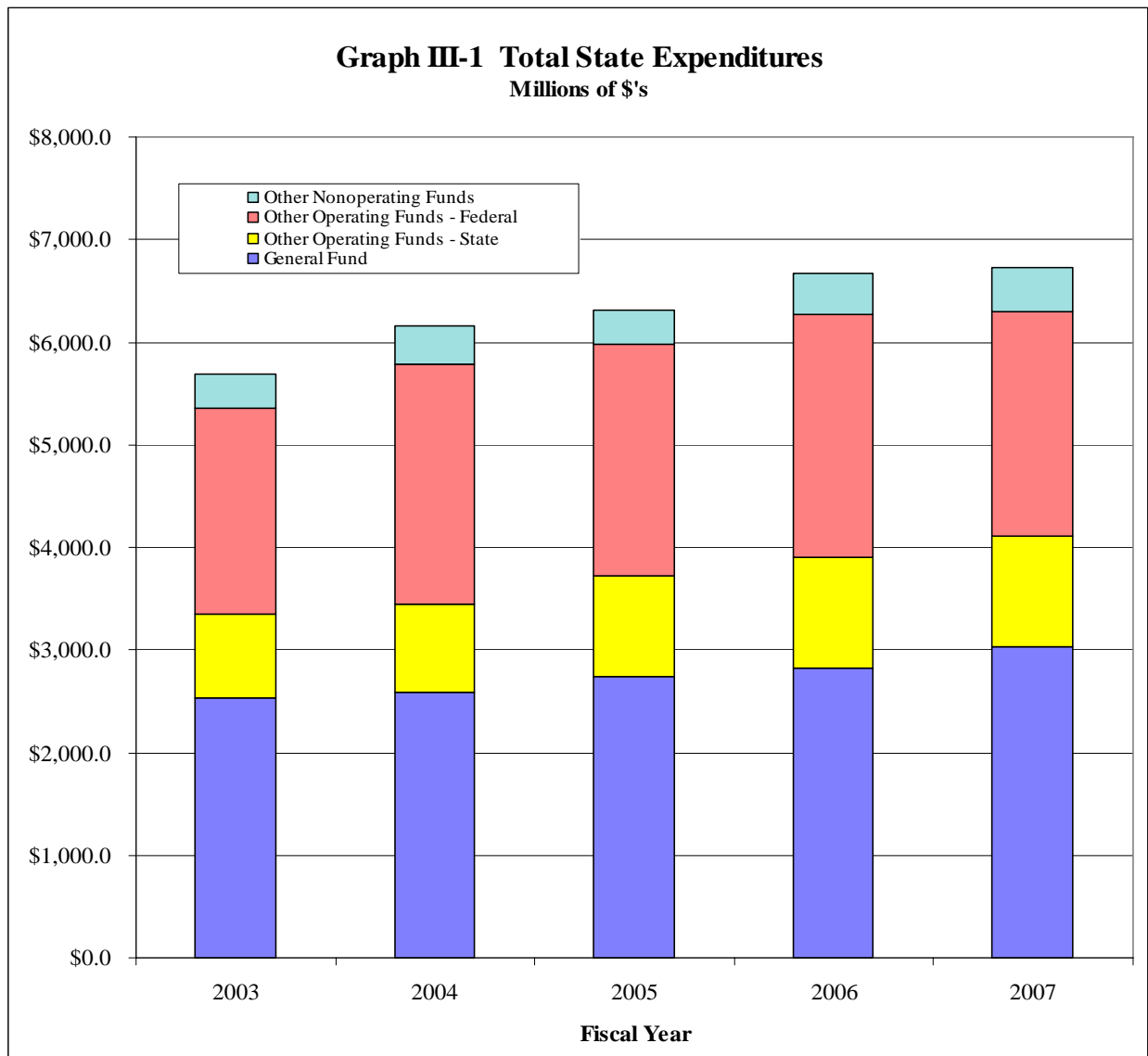
<b>Fiscal Year</b>	<b>Highway Fund</b>	<b>Other Special Revenue Funds</b>	<b>Total All Funds</b>
1998	\$0	\$2,416,374	\$2,416,374
1999	\$85,000	\$3,485,827	\$3,570,827
2000	\$0	\$3,465,260	\$3,465,260
2001	\$0	\$2,923,673	\$2,923,673
2002	\$0	\$4,191,108	\$4,191,108
2003	\$0	\$4,149,610	\$4,149,610
2004	\$188,532	\$4,505,456	\$4,693,988
2005	\$172,823	\$4,826,180	\$4,999,003
2006	\$223,637	\$4,424,094	\$4,647,731
2007	\$218,222	\$4,688,539	\$4,906,761

**Revenue Notes – Revenue from Maine Turnpike Authority**

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

### SECTION III – REVENUES AND EXPENDITURES

This section provides 5-year histories of the revenue and expenditures of all Operating Funds of the State. As noted in the introduction and as depicted in the graph below, these operating funds make up the vast majority of state spending. The additional expenditures in several other funds that are included in the table below represent expenditures from Enterprise Funds and Trust and Agency Funds. When reporting on total state expenditures, Internal Service Funds and all Bond Funds are not included. For Internal Service Funds, funds that are funded by charges assessed for services provided to other state agencies, the inclusion of these expenditures in total state expenditures would double count expenditures. The fees charged for the services show as expenditures in the account that is assessed. For bond funds, bonds are issued to support expenditures, but the debt service costs associated with the issued bonds are included in operating funds when the principal and interest payments are due. Table ALL-I on the following page provides a 5-year history of all state expenditures, including the internal service funds and bond funds, which are excluded from the total to avoid double counting expenditures.



**Table ALL-1 Total State Expenditures by Fund - Fiscal Years 2003 - 2007**

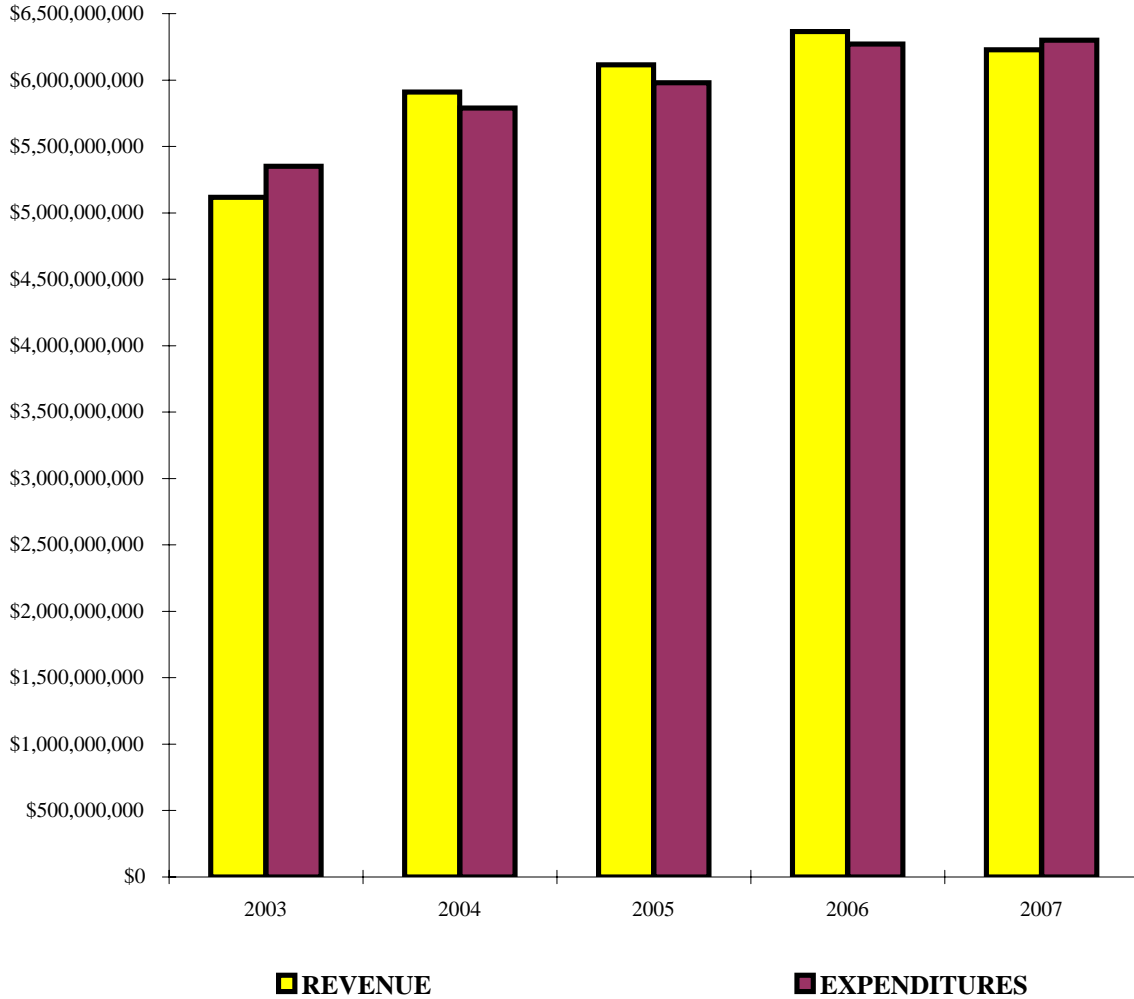
FUND TITLE	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
<b>OPERATING FUNDS</b>										
GENERAL FUND	\$2,533,197,609	44.58%	\$2,584,232,096	41.99%	\$2,738,123,135	43.36%	\$2,824,410,407	42.35%	\$3,024,363,451	44.94%
HIGHWAY FUND	\$304,987,282	5.37%	\$283,343,403	4.60%	\$299,596,972	4.74%	\$370,948,351	5.56%	\$352,202,706	5.23%
FEDERAL EXPENDITURES FUND	\$1,817,179,054	31.98%	\$2,166,932,282	35.21%	\$2,096,182,616	33.19%	\$2,192,630,962	32.88%	\$2,037,328,407	30.28%
OTHER SPECIAL REVENUE	\$517,096,343	9.10%	\$576,757,967	9.37%	\$685,272,852	10.85%	\$713,860,686	10.70%	\$733,940,734	10.91%
FEDERAL BLOCK GRANT FUND	\$178,716,312	3.15%	\$179,224,791	2.91%	\$160,015,373	2.53%	\$168,325,961	2.52%	\$152,613,542	2.27%
<b>TOTAL OPERATING FUNDS</b>	<b>\$5,351,176,601</b>	<b>94.18%</b>	<b>\$5,790,490,538</b>	<b>94.09%</b>	<b>\$5,979,190,949</b>	<b>94.68%</b>	<b>\$6,270,176,368</b>	<b>94.02%</b>	<b>\$6,300,448,840</b>	<b>93.63%</b>
<b>ENTERPRISE FUNDS</b>										
STATE TRANSIT, AVIATION & RAIL TRANSPORTATION FUND	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$1,192,758	0.02%	\$1,989,665	0.03%
DIRIGO HEALTH AGENCY	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$43,030,945	0.65%	\$65,936,140	0.98%
POTATO MARKETING	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
ISLAND FERRY SERVICES FUND	\$5,834,252	0.10%	\$5,679,855	0.09%	\$6,330,835	0.10%	\$6,945,331	0.10%	\$7,372,791	0.11%
AUGUSTA STATE AIRPORT	\$393,261	0.01%	\$379,905	0.01%	\$385,249	0.01%	\$93,750	0.00%	\$0	0.00%
MARINE PORTS FUND	\$301,141	0.01%	\$74,414	0.00%	\$148,304	0.00%	\$35,359	0.00%	\$755,385	0.01%
ALCOHOLIC BEVERAGE FUND	\$58,950,268	1.04%	\$61,901,978	1.01%	\$8,568	0.00%	\$0	0.00%	\$0	0.00%
PRISON INDUSTRIES FUND	\$762,183	0.01%	\$723,406	0.01%	\$782,348	0.01%	\$840,440	0.01%	\$878,485	0.01%
SEED POTATO BOARD	\$555,698	0.01%	\$609,824	0.01%	\$611,465	0.01%	\$594,354	0.01%	\$599,106	0.01%
STATE ADMINISTERED FUND	\$1,031,923	0.02%	\$342,835	0.01%	\$563,675	0.01%	\$525,537	0.01%	\$483,615	0.01%
MAINE MILITARY AUTHORITY	\$5,890,722	0.10%	\$24,987,838	0.41%	\$49,860,751	0.79%	\$58,575,856	0.88%	\$49,972,971	0.74%
STATE LOTTERY FUND	\$126,641,307	2.23%	\$145,030,676	2.36%	\$161,823,422	2.56%	\$179,399,595	2.69%	\$180,767,388	2.69%
<b>TOTAL ENTERPRISE FUNDS</b>	<b>\$200,360,754</b>	<b>3.53%</b>	<b>\$239,730,731</b>	<b>3.90%</b>	<b>\$220,514,616</b>	<b>3.49%</b>	<b>\$291,233,925</b>	<b>4.37%</b>	<b>\$313,098,412</b>	<b>4.65%</b>
<b>TRUST FUNDS</b>										
EMPLOYMENT SECURITY TRUST	\$128,196,591	2.26%	\$123,999,447	2.01%	\$115,245,691	1.82%	\$107,130,696	1.61%	\$115,411,919	1.72%
ABANDONED PROPERTY FUND	\$2,127,761	0.04%	\$251,728	0.00%	\$202,492	0.00%	\$299,613	0.00%	\$264,236	0.00%
<b>TOTAL TRUST FUNDS</b>	<b>\$130,324,352</b>	<b>2.29%</b>	<b>\$124,251,175</b>	<b>2.02%</b>	<b>\$115,448,182</b>	<b>1.83%</b>	<b>\$107,430,310</b>	<b>1.61%</b>	<b>\$115,676,155</b>	<b>1.72%</b>
<b>TOTAL STATE EXPENDITURES</b>	<b>\$5,681,861,707</b>	<b>100.0%</b>	<b>\$6,154,472,445</b>	<b>100.0%</b>	<b>\$6,315,153,748</b>	<b>100.0%</b>	<b>\$6,668,840,602</b>	<b>100.0%</b>	<b>\$6,729,223,407</b>	<b>100.0%</b>

<b>BOND FUNDS <sup>1</sup></b>										
HIGHWAY BOND FUND-ARBITRAGE	\$0	0.00%	\$13,000,000	11.06%	\$0	0.00%	\$0	0.00%	\$27,000,000	38.74%
GENERAL BOND FUND	\$25,454,643	25.26%	\$11,509,981	9.79%	\$14,558,463	12.80%	\$11,765,643	16.79%	\$8,684,499	12.46%
GENERAL BOND FUND-ARBITRAGE	\$75,194,378	74.62%	\$92,785,806	78.92%	\$99,011,572	87.07%	\$58,244,897	83.10%	\$33,945,760	48.70%
SELF LIQUIDATING BOND FUND	\$115,340	0.11%	\$270,785	0.23%	\$149,605	0.13%	\$79,375	0.11%	\$74,125	0.11%
<b>TOTAL BOND FUNDS</b>	<b>\$100,764,361</b>	<b>100.0%</b>	<b>\$117,566,572</b>	<b>100.0%</b>	<b>\$113,719,640</b>	<b>100.0%</b>	<b>\$70,089,915</b>	<b>100.0%</b>	<b>\$69,704,383</b>	<b>100.0%</b>

<b>INTERNAL SERVICES FUNDS <sup>2</sup></b>										
FINANCIAL & PERSONNEL SERVICES FUND	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$8,109,848	2.24%	\$17,612,539	4.43%
TRANSPORTATION FACILITIES FUND	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$188,883	0.05%	\$3,809,569	0.96%
HIGHWAY GARAGE FUND	\$18,934,083	6.73%	\$19,816,070	7.14%	\$20,869,583	6.42%	\$24,969,705	6.91%	\$26,187,335	6.59%
POSTAL, PRINTING & SUPPLY FUND	\$37,347,270	13.28%	\$36,444,361	13.13%	\$43,072,062	13.25%	\$46,512,965	12.87%	\$42,715,998	10.75%
OFFICE OF INFORMATION SERVICES	\$30,660,328	10.90%	\$29,950,098	10.79%	\$29,692,488	9.13%	\$39,473,004	10.92%	\$59,243,947	14.91%
RISK MANAGEMENT FUND	\$1,539,188	0.55%	\$2,939,652	1.06%	\$1,288,707	0.40%	\$1,712,429	0.47%	\$1,910,520	0.48%
WORKERS COMP. MGMT. FUND	\$11,827,971	4.21%	\$12,494,512	4.50%	\$12,414,579	3.82%	\$11,474,932	3.17%	\$12,306,406	3.10%
CENTRAL MOTOR POOL	\$4,280,626	1.52%	\$4,459,302	1.61%	\$4,942,096	1.52%	\$5,592,145	1.55%	\$6,156,619	1.55%
REAL PROPERTY LEASE SERVICES	\$20,179,055	7.18%	\$19,860,845	7.15%	\$20,332,543	6.26%	\$21,085,475	5.83%	\$22,361,949	5.63%
BUREAU OF REVENUE SERVICES	\$321,224	0.11%	\$872	0.00%	\$0	0.00%	\$469,994	0.13%	\$0	0.00%
RETIREE HEALTH INSURANCE	\$35,637,885	12.67%	\$42,330,831	15.25%	\$48,184,486	14.82%	\$53,280,358	14.74%	\$57,039,545	14.35%
ACCIDENT, SICKNESS & HEALTH INS.	\$120,166,473	42.73%	\$109,310,752	39.37%	\$144,256,706	44.38%	\$147,534,347	40.81%	\$148,108,808	37.26%
STATEWIDE RADIO & NETWORK SYSTEM	\$298,768	0.11%	\$29,982	0.01%	\$0	0.00%	\$1,078,431	0.30%	\$0	0.00%
<b>TOTAL INTERNAL SERVICES FUNDS</b>	<b>\$281,192,872</b>	<b>100.0%</b>	<b>\$277,637,277</b>	<b>100.0%</b>	<b>\$325,053,249</b>	<b>100.0%</b>	<b>\$361,482,515</b>	<b>100.0%</b>	<b>\$397,453,235</b>	<b>100.0%</b>

Notes:  
<sup>1</sup> Bond Funds consist of taxable and non-taxable General Obligation bonds and Self-liquidating bonds. Expenditures are not separately identified in Total State Expenditures because the expense is identified in Operating Funds (i.e. General Fund and Highway Fund) as Debt Service.  
<sup>2</sup> Internal Services Funds account for the provision of goods and services by one department or agency to others departments or agencies of the State, or to other governmental units, on a cost-reimbursement basis.

**Graph OPF-1 TOTAL OPERATING FUNDS  
(General Fund - Highway Fund - Other Special Revenue Funds)  
Revenue and Expenditures  
Fiscal Years 2003 - 2007**



	2003	2004	2005	2006	2007
<b>REVENUE</b>	<b>\$5,117,975,612</b>	<b>\$5,910,771,290</b>	<b>\$6,114,270,553</b>	<b>\$6,366,250,986</b>	<b>\$6,228,174,102</b>
<b>Annual % Change</b>	<b>6.5%</b>	<b>15.5%</b>	<b>3.4%</b>	<b>4.1%</b>	<b>-2.2%</b>
<b>EXPENDITURES</b>	<b>\$5,351,176,601</b>	<b>\$5,790,490,538</b>	<b>\$5,979,190,949</b>	<b>\$6,270,176,368</b>	<b>\$6,300,448,840</b>
<b>Annual % Change</b>	<b>5.3%</b>	<b>8.2%</b>	<b>3.3%</b>	<b>4.9%</b>	<b>0.5%</b>



**Table OPF-1 Total Operating Funds - Revenue - Fiscal Years 2003 - 2007**

REVENUE SOURCE	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Individual Income Tax	\$1,074,826,159	21.00%	\$1,160,028,060	19.63%	\$1,299,252,215	21.25%	\$1,368,926,759	21.50%	\$1,469,295,388	23.59%
Tax Relief Program Transfers	\$0	0.00%	\$0	0.00%	(\$26,030,227)	-0.43%	(\$109,861,880)	-1.73%	(\$110,993,852)	-1.78%
Corporate Income Tax	\$91,188,393	1.78%	\$111,616,051	1.89%	\$135,862,913	2.22%	\$188,015,558	2.95%	\$183,851,533	2.95%
Sales and Use Taxes	\$857,495,156	16.75%	\$917,248,437	15.52%	\$896,599,413	14.66%	\$946,182,786	14.86%	\$971,455,818	15.60%
Service Provider Tax	\$0	0.00%	\$0	0.00%	\$60,180,616	0.98%	\$77,988,609	1.23%	\$83,355,944	1.34%
Transfers for Municipal Revenue Sharing	(\$0)	0.00%	\$5,378	0.00%	\$0	0.00%	(\$0)	0.00%	(\$420,922)	-0.01%
Estate Tax	\$30,520,320	0.60%	\$32,075,501	0.54%	\$32,255,727	0.53%	\$75,330,514	1.18%	\$54,820,038	0.88%
Cigarette Tax	\$94,397,943	1.84%	\$92,625,638	1.57%	\$91,906,017	1.50%	\$151,497,467	2.38%	\$152,957,212	2.46%
Tobacco Products Tax	\$4,016,527	0.08%	\$3,979,008	0.07%	\$4,444,687	0.07%	\$5,453,903	0.09%	\$5,996,254	0.10%
Cig. & Tobacco Products Lic. Fees	\$5,173	0.00%	\$8,462	0.00%	\$80,246	0.00%	\$264,000	0.00%	\$255,978	0.00%
Liquor Sales and Operations	\$26,073,276	0.51%	\$102,182,743	1.73%	\$49,845,027	0.82%	\$2,560,044	0.04%	\$4,440,935	0.07%
Liquor Taxes and Fees	\$17,141,878	0.33%	\$17,485,024	0.30%	\$17,432,377	0.29%	\$18,814,733	0.30%	\$20,283,406	0.33%
Insurance Premium Taxes	\$75,969,135	1.48%	\$75,858,325	1.28%	\$79,535,091	1.30%	\$79,958,655	1.26%	\$78,655,811	1.26%
Insurance Regulatory Assessments and Fees	\$3,610,681	0.07%	\$8,367,081	0.14%	\$3,345,493	0.05%	\$12,145,574	0.19%	\$2,117,571	0.03%
Worker's Compensation Assessments	\$4,017,799	0.08%	\$12,778,682	0.22%	\$8,638,815	0.14%	\$8,874,698	0.14%	\$6,370,295	0.10%
Safety Education & Training Assessment	\$1,936,939	0.04%	\$2,079,353	0.04%	\$1,768,890	0.03%	\$2,129,375	0.03%	\$2,249,051	0.04%
Finance Industry Fees and Assessments	\$14,492,386	0.28%	\$14,931,828	0.25%	\$23,722,121	0.39%	\$25,856,575	0.41%	\$27,661,743	0.44%
Corporation Fees & Licenses	\$3,482,107	0.07%	\$3,600,455	0.06%	\$5,637,743	0.09%	\$6,385,451	0.10%	\$6,639,084	0.11%
Professional & Occupational Licensing Fees	\$10,610,753	0.21%	\$11,110,269	0.19%	\$11,720,978	0.19%	\$13,309,213	0.21%	\$12,363,065	0.20%
Hospital Assessments and Taxes	\$3,795,726	0.07%	\$16,648,717	0.28%	\$49,142,157	0.80%	\$54,050,916	0.85%	\$59,807,056	0.96%
Health Care Provider Tax	\$23,613,564	0.46%	\$32,119,110	0.54%	\$31,200,066	0.51%	\$33,265,910	0.52%	\$31,941,717	0.51%
Health Care Institution License Fees	\$275,772	0.01%	\$513,919	0.01%	\$446,546	0.01%	\$465,032	0.01%	\$503,500	0.01%
Railroad Company Tax	\$315,987	0.01%	\$361,413	0.01%	\$548,316	0.01%	\$20,000	0.00%	\$0	0.00%
Telecommunications Personal Prop. Tax	\$29,119,156	0.57%	\$27,779,775	0.47%	\$25,004,898	0.41%	\$20,627,030	0.32%	\$16,317,029	0.26%
Public Utilities Assessments	\$9,626,266	0.19%	\$13,741,608	0.23%	\$16,682,952	0.27%	\$17,082,890	0.27%	\$15,941,897	0.26%
E-9-1-1 Surcharge	\$7,885,497	0.15%	\$7,948,519	0.13%	\$8,279,202	0.14%	\$8,244,839	0.13%	\$8,499,625	0.14%
Real Estate Transfer Tax	\$21,528,828	0.42%	\$28,412,693	0.48%	\$32,995,284	0.54%	\$33,952,006	0.53%	\$29,488,291	0.47%
Unorganized Territory Taxes	\$17,432,605	0.34%	\$17,274,409	0.29%	\$18,381,729	0.30%	\$20,543,149	0.32%	\$20,924,445	0.34%
Commercial Forestry Excise Tax	\$3,172,724	0.06%	\$2,907,340	0.05%	\$2,890,635	0.05%	\$2,888,700	0.05%	\$3,851,783	0.06%
Gasoline Tax	\$154,596,316	3.02%	\$175,970,766	2.98%	\$178,845,268	2.93%	\$181,329,183	2.85%	\$185,677,576	2.98%
Special Fuel & Road Use Taxes	\$36,402,613	0.71%	\$40,391,130	0.68%	\$45,400,514	0.74%	\$44,805,900	0.70%	\$45,805,856	0.74%
Aeronautical Fuel Taxes	\$768,392	0.02%	\$1,043,664	0.02%	\$1,095,171	0.02%	\$359,655	0.01%	\$0	0.00%
Motor Vehicle & Operator's License Fees	\$93,852,778	1.83%	\$94,391,176	1.60%	\$96,418,639	1.58%	\$98,996,651	1.56%	\$98,729,160	1.59%
Hunting & Fishing License Fees	\$14,536,066	0.28%	\$17,547,271	0.30%	\$17,476,221	0.29%	\$17,412,698	0.27%	\$17,118,533	0.27%
ATV, Snowmobile and Watercraft Fees	\$5,307,023	0.10%	\$7,077,394	0.12%	\$7,528,568	0.12%	\$6,802,876	0.11%	\$7,927,973	0.13%
Lake & River Protection Sticker Fees	\$1,201,032	0.02%	\$1,034,409	0.02%	\$799,139	0.01%	\$849,290	0.01%	\$1,448,741	0.02%
Marine Resources License Fees	\$2,161,890	0.04%	\$2,668,702	0.05%	\$2,759,122	0.05%	\$2,737,350	0.04%	\$2,650,067	0.04%
Salmon Tax	\$123,590	0.00%	\$231,548	0.00%	\$19,682	0.00%	\$0	0.00%	\$0	0.00%
Mahogany Quahog Tax	\$91,628	0.00%	\$86,520	0.00%	\$101,532	0.00%	\$97,227	0.00%	\$93,229	0.00%
Environmental Protection Fees	\$28,437,803	0.56%	\$29,924,893	0.51%	\$24,711,916	0.40%	\$24,661,725	0.39%	\$28,754,402	0.46%
Recycling Assistance Fees	\$1,340,422	0.03%	\$1,469,311	0.02%	\$1,704,900	0.03%	\$1,504,233	0.02%	\$1,902,773	0.03%
Milk Pool & Other Milk Fees	\$3,260,332	0.06%	\$3,142,469	0.05%	\$2,029,416	0.03%	\$2,797,256	0.04%	\$4,075,782	0.07%
Milk Handling & Milk Stabilization Taxes	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$1,867,527	0.03%	\$2,561,972	0.04%
Blueberry Tax	\$1,031,403	0.02%	\$1,330,112	0.02%	\$893,062	0.01%	\$1,007,374	0.02%	\$1,233,229	0.02%
Potato Tax	\$683,182	0.01%	\$723,516	0.01%	\$644,764	0.01%	\$702,871	0.01%	\$690,122	0.01%
Pari-mutuel Revenue	\$4,763,089	0.09%	\$4,512,131	0.08%	\$4,241,950	0.07%	\$3,734,504	0.06%	\$3,487,965	0.06%
Racino Revenue	\$0	0.00%	\$0	0.00%	\$401,115	0.01%	\$10,747,947	0.17%	\$20,468,098	0.33%
Misc. Taxes, Fees & Assessments	\$5,030,218	0.10%	\$5,850,379	0.10%	\$5,911,909	0.10%	\$7,507,128	0.12%	\$8,018,621	0.13%
Lottery Revenue	\$40,253,407	0.79%	\$42,039,288	0.71%	\$50,128,411	0.82%	\$51,787,711	0.81%	\$51,435,339	0.83%
From Federal Government	\$1,926,135,661	37.63%	\$2,330,556,025	39.43%	\$2,323,057,372	37.99%	\$2,372,356,498	37.26%	\$2,166,103,391	34.78%
From Local Governments	\$11,192,259	0.22%	\$15,063,957	0.25%	\$10,830,212	0.18%	\$9,356,355	0.15%	\$12,850,500	0.21%
From Private Sources	\$110,411,649	2.16%	\$133,907,864	2.27%	\$123,708,827	2.02%	\$122,942,199	1.93%	\$115,768,933	1.86%
Tobacco Settlement Payments	\$55,807,033	1.09%	\$48,952,964	0.83%	\$49,033,129	0.80%	\$45,011,759	0.71%	\$47,113,687	0.76%
Service Charges for Current Services	\$110,026,781	2.15%	\$120,915,190	2.05%	\$173,551,156	2.84%	\$185,020,239	2.91%	\$142,915,160	2.29%
Contributions & Transfers from Other Funds	\$20,607,961	0.40%	\$44,428,593	0.75%	\$28,755,374	0.47%	\$19,338,400	0.30%	\$16,726,868	0.27%
State Cost Allocation Program Transfers	\$12,656,798	0.25%	\$12,143,549	0.21%	\$14,618,237	0.24%	\$15,032,118	0.24%	\$17,319,208	0.28%
Sales & Comp. for Loss of Property	\$4,182,061	0.08%	\$5,633,166	0.10%	\$9,587,937	0.16%	\$5,650,927	0.09%	\$3,708,090	0.06%
Fines, Forfeits & Penalties	\$35,187,158	0.69%	\$47,291,469	0.80%	\$43,800,117	0.72%	\$47,908,360	0.75%	\$52,386,127	0.84%
Earnings on Investments	\$7,226,708	0.14%	\$4,062,046	0.07%	\$9,447,966	0.15%	\$14,304,786	0.22%	\$7,666,242	0.12%
From Maine Turnpike Authority	\$4,149,610	0.08%	\$4,693,988	0.08%	\$4,999,003	0.08%	\$4,647,731	0.07%	\$4,906,761	0.08%
<b>Total Operating Funds Revenue</b>	<b>\$5,117,975,612</b>	<b>100.0%</b>	<b>\$5,910,771,290</b>	<b>100.0%</b>	<b>\$6,114,270,553</b>	<b>100.0%</b>	<b>\$6,366,250,986</b>	<b>100.0%</b>	<b>\$6,228,174,102</b>	<b>100.0%</b>

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

**Table OPF-2 All Operating Funds - Expenditures by Departments & Major Programs - Fiscal Years 2003 - 2007**

Departments/Programs	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
<b>Administrative and Financial Services</b>										
Tax Relief & Reimbursement Programs	\$80,402,325	1.50%	\$129,799,219	2.24%	\$113,981,597	1.91%	\$32,651,248	0.52%	\$35,966,207	0.57%
Governmental Facilities Authority Debt	\$11,567,901	0.22%	\$16,382,917	0.28%	\$14,577,824	0.24%	\$17,137,122	0.27%	\$19,054,175	0.30%
<sup>2</sup> Other DAFS Programs	\$69,784,356	1.30%	\$67,032,296	1.16%	\$69,991,818	1.17%	\$69,121,760	1.10%	\$69,947,268	1.11%
<b>Administrative and Financial Services</b>	\$161,754,582	3.02%	\$213,214,431	3.68%	\$198,551,239	3.32%	\$118,910,130	1.90%	\$124,967,650	1.98%
<b>Agriculture, Food &amp; Rural Resources</b>	\$22,731,688	0.42%	\$26,549,116	0.46%	\$21,938,690	0.37%	\$26,235,502	0.42%	\$40,611,219	0.64%
<b>Attorney General</b>	\$22,473,584	0.42%	\$23,436,691	0.40%	\$24,922,002	0.42%	\$26,434,203	0.42%	\$27,017,400	0.43%
<b>Conservation</b>	\$42,539,916	0.79%	\$58,253,969	1.01%	\$38,681,960	0.65%	\$47,492,054	0.76%	\$48,356,554	0.77%
<b>Corrections</b>										
Adult Facilities	\$61,927,380	1.16%	\$63,479,729	1.10%	\$68,818,372	1.15%	\$73,642,444	1.17%	\$76,099,948	1.21%
Juvenile Facilities	\$33,316,655	0.62%	\$33,727,935	0.58%	\$36,028,868	0.60%	\$37,076,652	0.59%	\$38,655,610	0.61%
Other Corrections Programs	\$25,532,736	0.48%	\$25,368,346	0.44%	\$28,640,532	0.48%	\$26,576,124	0.42%	\$28,462,073	0.45%
<b>Corrections</b>	\$120,776,771	2.26%	\$122,576,010	2.12%	\$133,487,772	2.23%	\$137,295,220	2.19%	\$143,217,631	2.27%
<b>Cultural Agencies</b>	\$9,661,758	0.18%	\$9,789,753	0.17%	\$9,475,104	0.16%	\$9,564,491	0.15%	\$10,538,136	0.17%
<b>Defense, Veterans &amp; Emergency Management</b>	\$43,369,492	0.81%	\$56,430,573	0.97%	\$85,077,464	1.42%	\$107,629,036	1.72%	\$79,702,986	1.27%
<b>Economic and Community Development</b>	\$36,724,530	0.69%	\$35,310,076	0.61%	\$39,385,549	0.66%	\$39,985,056	0.64%	\$44,282,089	0.70%
<b>Education</b>										
<sup>2</sup> General Purpose Aid for Local Schools	\$712,243,570	13.31%	\$724,041,403	12.50%	\$738,355,049	12.35%	\$838,193,470	13.37%	\$911,011,767	14.46%
Teacher Retirement	\$179,899,248	3.36%	\$170,014,497	2.94%	\$181,698,128	3.04%	\$148,459,994	2.37%	\$205,443,716	3.26%
Preschool Handicapped	\$19,311,481	0.36%	\$21,666,829	0.37%	\$23,066,967	0.39%	\$22,460,644	0.36%	\$19,424,103	0.31%
Maine Learning Technology Endowment	\$5,629,657	0.11%	\$11,156,544	0.19%	\$8,704,266	0.15%	(\$689)	0.00%	\$720,305	0.01%
Other Department of Education Programs	\$173,902,792	3.25%	\$197,594,317	3.41%	\$206,371,542	3.45%	\$212,517,298	3.39%	\$216,621,075	3.44%
<b>Education</b>	\$1,090,986,748	20.39%	\$1,124,473,590	19.42%	\$1,158,195,951	19.37%	\$1,221,630,717	19.48%	\$1,353,220,966	21.48%
<b>Environmental Protection</b>	\$49,699,379	0.93%	\$51,981,051	0.90%	\$54,054,977	0.90%	\$51,071,413	0.81%	\$51,893,585	0.82%
<b>Executive Department</b>	\$11,049,117	0.21%	\$11,355,552	0.20%	\$12,444,972	0.21%	\$12,680,740	0.20%	\$13,948,539	0.22%
<b>Health &amp; Human Services (formerly BDS) <sup>1</sup></b>										
Mental Retardation Services	\$96,232,105	1.80%	\$97,492,009	1.68%	\$106,963,822	1.79%	\$117,580,646	1.88%	\$143,728,375	2.28%
Mental Health Services	\$115,018,263	2.15%	\$123,957,114	2.14%	\$123,419,535	2.06%	\$133,547,848	2.13%	\$152,117,592	2.41%
Other MHMRSAS Programs	\$96,337,187	1.80%	\$98,764,560	1.71%	\$97,944,704	1.64%	\$102,964,377	1.64%	\$106,919,763	1.70%
<b>Health &amp; Human Services (formerly BDS) <sup>1</sup></b>	\$307,587,555	5.75%	\$320,213,683	5.53%	\$328,328,062	5.49%	\$354,092,871	5.65%	\$402,765,729	6.39%
<b>Health &amp; Human Services (formerly DHS) <sup>1</sup></b>										
Medical Care - Payments to Providers	\$1,228,442,212	22.96%	\$1,506,089,543	26.01%	\$1,639,190,505	27.41%	\$1,677,664,837	26.76%	\$1,527,472,059	24.24%
Nursing Facilities	\$304,247,708	5.69%	\$325,296,979	5.62%	\$268,821,431	4.50%	\$336,196,005	5.36%	\$322,008,874	5.11%
AFDC/TANF	\$142,819,438	2.67%	\$163,655,988	2.83%	\$149,961,650	2.51%	\$154,879,957	2.47%	\$151,678,342	2.41%
Child Welfare/Foster Care	\$78,881,307	1.47%	\$79,029,511	1.36%	\$83,322,991	1.39%	\$78,762,550	1.26%	\$81,946,053	1.30%
State Supplement to Federal SSI	\$8,772,919	0.16%	\$8,852,958	0.15%	\$4,961,340	0.08%	\$5,137,417	0.08%	\$5,345,846	0.08%
General Assistance	\$5,766,968	0.11%	\$6,136,417	0.11%	\$6,573,344	0.11%	\$6,469,782	0.10%	\$7,409,147	0.12%
Other Human Services Programs	\$377,230,354	7.05%	\$371,092,206	6.41%	\$390,390,277	6.53%	\$423,373,694	6.75%	\$481,116,556	7.64%
<b>Health &amp; Human Services (formerly DHS) <sup>1</sup></b>	\$2,146,160,904	40.11%	\$2,460,153,601	42.49%	\$2,543,221,538	42.53%	\$2,682,484,242	42.78%	\$2,576,976,877	40.90%
<b>Higher Education Institutions &amp; Programs</b>	\$237,481,046	4.44%	\$234,711,046	4.05%	\$242,218,210	4.05%	\$249,188,393	3.97%	\$265,409,736	4.21%
<b>Inland Fisheries and Wildlife</b>	\$29,304,321	0.55%	\$28,915,190	0.50%	\$32,351,199	0.54%	\$35,628,647	0.57%	\$33,346,134	0.53%
<b>Judicial Department</b>	\$56,231,965	1.05%	\$56,763,543	0.98%	\$59,154,161	0.99%	\$61,779,804	0.99%	\$64,194,923	1.02%
<b>Labor</b>										
Rehabilitation Services	\$30,398,645	0.57%	\$30,555,133	0.53%	\$24,378,129	0.41%	\$24,809,558	0.40%	\$26,441,435	0.42%
Employment Services Activities	\$32,711,846	0.61%	\$36,728,706	0.63%	\$31,174,857	0.52%	\$27,168,122	0.43%	\$26,761,414	0.42%
Employment Security Services	\$41,795,792	0.78%	\$38,497,622	0.66%	\$24,640,762	0.41%	\$19,943,993	0.32%	\$20,597,498	0.33%
Other Labor Programs	\$9,855,955	0.18%	\$11,234,188	0.19%	\$11,712,628	0.20%	\$11,856,822	0.19%	\$10,459,720	0.17%
<b>Labor</b>	\$114,762,239	2.14%	\$117,015,649	2.02%	\$91,906,376	1.54%	\$83,778,495	1.34%	\$84,260,067	1.34%
<b>Legislature</b>	\$22,403,153	0.42%	\$20,660,407	0.36%	\$24,749,528	0.41%	\$24,647,638	0.39%	\$26,701,087	0.42%
<b>Marine Resources</b>	\$17,561,865	0.33%	\$15,812,139	0.27%	\$16,310,655	0.27%	\$15,783,937	0.25%	\$19,153,713	0.30%
<b>Professional &amp; Financial Regulation</b>	\$18,300,218	0.34%	\$20,801,099	0.36%	\$20,992,224	0.35%	\$21,118,188	0.34%	\$22,602,970	0.36%
<b>Public Safety</b>										
Public Safety - State Police	\$43,271,660	0.81%	\$42,013,564	0.73%	\$42,727,726	0.71%	\$46,218,152	0.74%	\$50,636,726	0.80%
Public Safety - Other Programs	\$35,664,769	0.67%	\$28,024,798	0.48%	\$27,393,058	0.46%	\$28,968,816	0.46%	\$29,747,840	0.47%
<b>Public Safety</b>	\$78,936,429	1.48%	\$70,038,362	1.21%	\$70,120,784	1.17%	\$75,186,968	1.20%	\$80,384,566	1.28%
<b>Secretary of State</b>	\$35,356,708	0.66%	\$33,040,420	0.57%	\$36,958,053	0.62%	\$40,408,300	0.64%	\$41,492,558	0.66%
<b>Transportation</b>										
Highway & Bridge Maint. & Improv.	\$380,502,886	7.11%	\$382,971,599	6.61%	\$415,123,874	6.94%	\$487,025,490	7.77%	\$413,952,886	6.57%
Debt Service - Transportation	\$25,218,828	0.47%	\$19,037,015	0.33%	\$15,757,535	0.26%	\$15,957,306	0.25%	\$12,544,584	0.20%
Other Transportation Programs	\$32,638,563	0.61%	\$29,722,550	0.51%	\$30,146,544	0.50%	\$37,677,464	0.60%	\$36,024,407	0.57%
<b>Transportation</b>	\$438,360,277	8.19%	\$431,731,165	7.46%	\$461,027,953	7.71%	\$540,660,260	8.62%	\$462,521,876	7.34%
<b>Treasurer of State</b>										
Debt Service - Treasury	\$83,320,174	1.56%	\$74,774,613	1.29%	\$74,628,744	1.25%	\$78,905,805	1.26%	\$88,003,189	1.40%
Municipal Revenue Sharing - Treasury	\$102,304,321	1.91%	\$110,658,989	1.91%	\$117,591,151	1.97%	\$121,380,164	1.94%	\$121,236,618	1.92%
Other Treasury Programs	\$1,103,448	0.02%	\$1,064,782	0.02%	\$1,188,418	0.02%	\$1,141,627	0.02%	\$1,088,203	0.02%
<b>Treasurer of State</b>	\$186,727,943	3.49%	\$186,498,383	3.22%	\$193,408,312	3.23%	\$201,427,596	3.21%	\$210,328,010	3.34%
<b>All Other - State Agencies</b>	\$50,234,414	0.94%	\$60,765,042	1.05%	\$82,228,214	1.38%	\$85,062,466	1.36%	\$72,553,837	1.15%
<b>Total Expenditures - All Operating Funds</b>	<b>\$5,351,176,601</b>	<b>100.0%</b>	<b>\$5,790,490,538</b>	<b>100.0%</b>	<b>\$5,979,190,949</b>	<b>100.0%</b>	<b>\$6,270,176,368</b>	<b>100.0%</b>	<b>\$6,300,448,840</b>	<b>100.0%</b>

<sup>1</sup> The Department of Mental Health, Mental Retardation and Substance Abuse Services was renamed to the Department of Behavioral and Developmental Services (PL 2001, c. 354) and was then merged with the Department of Human Services (PL 2003, c. 689). Beginning in fiscal year 2008, programs and accounts of these departments will be merged into new programs and accounts of the Department of Health and Human Services. In transition, the departments' budgets will be designated with parenthetical designation of (formerly BDS) and (formerly DHS) to provide a destination until the new program structure for the merged department is created.

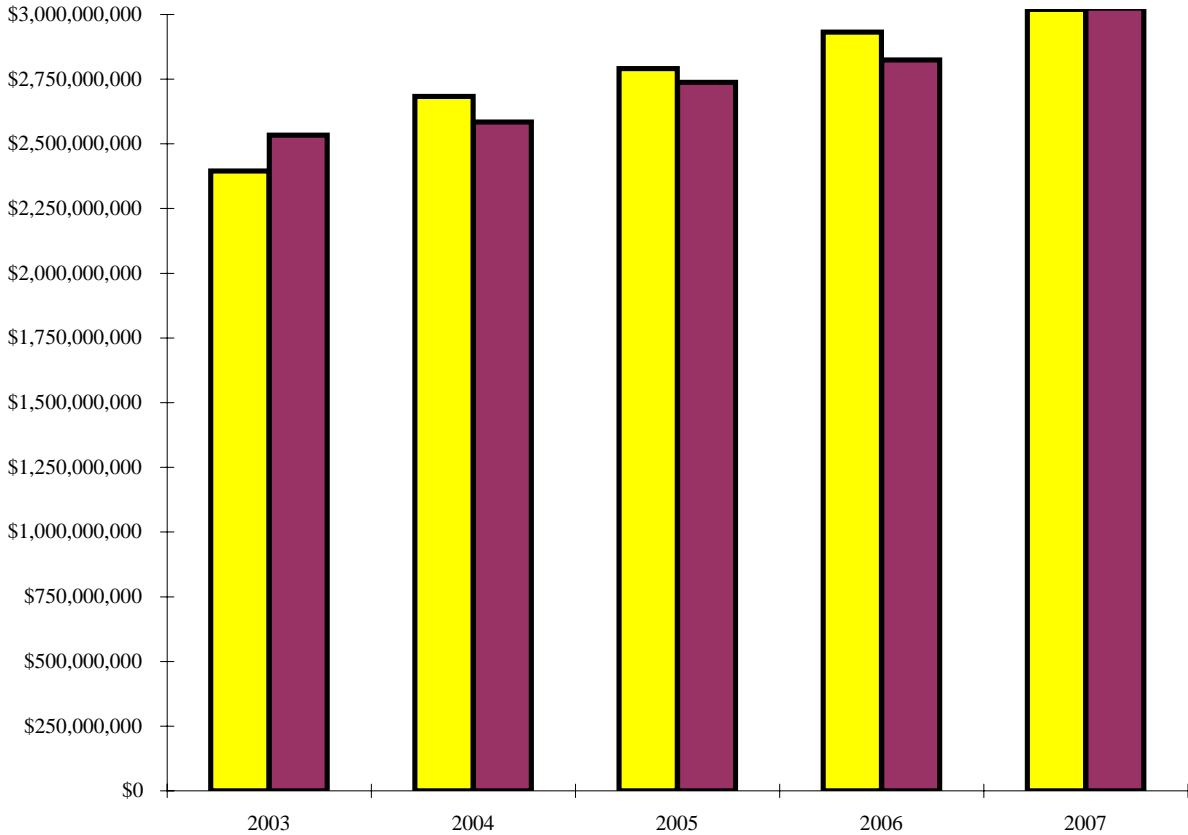
<sup>2</sup> Total Expenditures reflect a negative \$25M adjustment to Other DAFS Programs and a positive \$25M adjustment to General Purpose Aid for Local Schools to reflect the shift of Expenditures from General Fund to Federal Block Grant funds as a result of the receipt of flexible federal grants in FY 2003 and FY 2004.

**Table OPF-3 TOTAL OPERATING FUNDS**  
**Fiscal Years 2003 - 2007**  
**Expenditures**

**Expenditures - By Expenditure Category**

Expenditure Category	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Personal Services										
Salaries and Wages	\$505,004,635	9.4%	\$523,741,165	9.0%	\$516,475,098	8.6%	\$519,613,615	8.3%	\$527,768,856	8.4%
Retirement Costs	\$117,148,697	2.2%	\$121,544,013	2.1%	\$137,370,987	2.3%	\$152,120,652	2.4%	\$156,788,985	2.5%
Health Insurance	\$94,248,365	1.8%	\$81,710,021	1.4%	\$112,498,844	1.9%	\$112,147,180	1.8%	\$109,960,115	1.7%
Other Fringe Benefits	\$25,353,056	0.5%	\$25,578,968	0.4%	\$24,441,695	0.4%	\$26,215,460	0.4%	\$26,295,632	0.4%
Unemployment Reimbursements	\$785,817	0.0%	\$868,993	0.0%	\$945,711	0.0%	\$677,157	0.0%	\$783,127	0.0%
Personal Services - Subtotal	\$742,540,570	13.9%	\$753,443,160	13.0%	\$791,732,336	13.2%	\$810,774,064	12.9%	\$821,596,716	13.0%
All Other										
Professional Services	\$181,401,937	3.4%	\$204,232,177	3.5%	\$235,186,285	3.9%	\$256,665,015	4.1%	\$282,081,963	4.5%
Travel Expenses	\$12,001,503	0.2%	\$12,515,807	0.2%	\$12,704,612	0.2%	\$13,093,081	0.2%	\$14,016,319	0.2%
Miscellaneous Operating Expenses	\$142,525,078	2.7%	\$153,226,189	2.6%	\$165,868,497	2.8%	\$166,863,854	2.7%	\$177,358,187	2.8%
Commodities	\$127,052,207	2.4%	\$116,674,240	2.0%	\$124,796,820	2.1%	\$129,815,724	2.1%	\$164,670,383	2.6%
Grants, Subsidies and Pensions										
To Other Governments	\$995,966,467	18.6%	\$1,039,883,144	18.0%	\$1,074,467,156	18.0%	\$1,187,221,743	18.9%	\$1,256,017,498	19.9%
To Pub. and Priv. Orgs.	\$564,157,038	10.5%	\$561,280,875	9.7%	\$564,137,470	9.4%	\$594,218,938	9.5%	\$625,678,789	9.9%
To Individuals	\$2,234,092,273	41.7%	\$2,612,661,014	45.1%	\$2,678,736,874	44.8%	\$2,698,512,261	43.0%	\$2,618,627,785	41.6%
Debt Service										
Principal	\$85,095,000	1.6%	\$72,353,344	1.2%	\$66,928,506	1.1%	\$75,968,844	1.2%	\$85,194,684	1.4%
Interest	\$30,819,774	0.6%	\$29,614,319	0.5%	\$31,108,748	0.5%	\$32,750,625	0.5%	\$29,730,090	0.5%
Contrib. and Trans. to Other Funds	\$15,753,515	0.3%	\$15,077,714	0.3%	\$17,817,874	0.3%	\$19,827,641	0.3%	\$21,273,093	0.3%
All Other - Subtotal	\$4,388,864,791	82.0%	\$4,817,518,823	83.2%	\$4,971,752,844	83.2%	\$5,174,937,725	82.5%	\$5,274,648,790	83.7%
Capital Expenditures	\$219,771,240	4.1%	\$219,528,556	3.8%	\$215,705,769	3.6%	\$284,464,578	4.5%	\$204,203,334	3.2%
<b>Total Expenditures</b>	<b>\$5,351,176,601</b>	<b>100.0%</b>	<b>\$5,790,490,538</b>	<b>100.0%</b>	<b>\$5,979,190,949</b>	<b>100.0%</b>	<b>\$6,270,176,368</b>	<b>100.0%</b>	<b>\$6,300,448,840</b>	<b>100.0%</b>

**Graph GF-1 GENERAL FUND  
Revenue and Expenditures  
Fiscal Years 2003 - 2007**



	2003	2004	2005	2006	2007
<b>REVENUE</b>	<b>\$2,394,690,190</b>	<b>\$2,683,539,557</b>	<b>\$2,790,845,053</b>	<b>\$2,931,825,687</b>	<b>\$3,019,595,389</b>
<b>Annual % Change</b>	<b>2.7%</b>	<b>12.1%</b>	<b>4.0%</b>	<b>5.1%</b>	<b>3.0%</b>
<b>EXPENDITURES</b>	<b>\$2,533,197,609</b>	<b>\$2,584,232,096</b>	<b>\$2,738,123,135</b>	<b>\$2,824,410,407</b>	<b>\$3,024,363,451</b>
<b>Annual % Change</b>	<b>-2.0%</b>	<b>2.0%</b>	<b>6.0%</b>	<b>3.2%</b>	<b>7.1%</b>

**Table GF-1 General Fund Revenue - Fiscal Years 2003 - 2007**

REVENUE SOURCE	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Individual Income Tax	\$1,071,701,694	44.75%	\$1,156,715,909	43.10%	\$1,296,255,557	46.45%	\$1,364,368,543	46.54%	\$1,464,928,346	48.51%
Tax Relief Program Transfers	\$0	0.00%	\$0	0.00%	(\$26,030,227)	-0.93%	(\$109,861,880)	-3.75%	(\$110,993,852)	-3.68%
Corporate Income Tax	\$91,188,393	3.81%	\$111,616,051	4.16%	\$135,862,913	4.87%	\$188,015,558	6.41%	\$183,851,533	6.09%
Sales and Use Taxes	\$857,486,801	35.81%	\$917,243,245	34.18%	\$896,576,322	32.13%	\$946,174,276	32.27%	\$971,455,721	32.17%
Service Provider Tax	\$0	0.00%	\$0	0.00%	\$44,645,517	1.60%	\$47,028,430	1.60%	\$49,400,532	1.64%
Transfers for Municipal Revenue Sharing	(\$103,039,221)	-4.30%	(\$111,464,335)	-4.15%	(\$119,712,814)	-4.29%	(\$124,222,180)	-4.24%	(\$130,490,756)	-4.32%
Estate Tax	\$30,520,320	1.27%	\$32,075,501	1.20%	\$32,255,727	1.16%	\$75,330,514	2.57%	\$54,820,038	1.82%
Cigarette Tax	\$94,397,943	3.94%	\$92,625,638	3.45%	\$91,906,017	3.29%	\$151,497,467	5.17%	\$152,957,212	5.07%
Tobacco Products Tax	\$4,016,527	0.17%	\$3,979,008	0.15%	\$4,444,687	0.16%	\$5,453,903	0.19%	\$5,996,254	0.20%
Cig. & Tobacco Products Lic. Fees	(\$982)	0.00%	\$0	0.00%	\$78,521	0.00%	\$261,200	0.01%	\$244,640	0.01%
Liquor Sales and Operations	\$26,073,276	1.09%	\$102,182,743	3.81%	\$49,845,027	1.79%	\$2,560,044	0.09%	\$4,440,935	0.15%
Premium Tax - Spirits	\$1,676,392	0.07%	\$1,775,223	0.07%	\$1,691,881	0.06%	\$1,883,756	0.06%	\$1,915,563	0.06%
Excise Tax - Beer & Wine	\$8,344,712	0.35%	\$8,627,449	0.32%	\$8,707,404	0.31%	\$9,557,003	0.33%	\$10,626,704	0.35%
Premium Tax - Beer & Wine	\$3,847,156	0.16%	\$3,997,459	0.15%	\$4,034,350	0.14%	\$4,255,169	0.15%	\$4,433,643	0.15%
Liquor License Fees	\$3,273,618	0.14%	\$3,084,894	0.11%	\$2,998,742	0.11%	\$3,118,805	0.11%	\$3,307,496	0.11%
Insurance Premium Taxes	\$71,078,089	2.97%	\$72,206,153	2.69%	\$75,669,053	2.71%	\$76,090,900	2.60%	\$74,427,506	2.46%
Finance Industry Fees and Assessments	\$9,293,280	0.39%	\$9,572,280	0.36%	\$18,641,800	0.67%	\$20,471,110	0.70%	\$22,004,030	0.73%
Corporation Fees & Licenses	\$3,482,107	0.15%	\$3,600,455	0.13%	\$5,637,743	0.20%	\$6,385,451	0.22%	\$6,639,084	0.22%
Railroad Company Tax	\$165,987	0.01%	\$211,413	0.01%	\$398,316	0.01%	\$0	0.00%	\$0	0.00%
Hospital Assessments and Taxes	\$3,795,726	0.16%	\$265,398	0.01%	\$235,022	0.01%	\$2	0.00%	\$0	0.00%
Health Care Institution License Fees	\$275,772	0.01%	\$513,919	0.02%	\$446,546	0.02%	\$464,782	0.02%	\$503,250	0.02%
Telecommunications Personal Prop. Tax	\$29,119,156	1.22%	\$27,779,775	1.04%	\$25,004,898	0.90%	\$20,627,030	0.70%	\$16,317,029	0.54%
Real Estate Transfer Tax	\$10,770,668	0.45%	\$22,196,221	0.83%	\$24,113,439	0.86%	\$24,595,580	0.84%	\$22,206,638	0.74%
Unorganized Territory Taxes	\$9,930,103	0.41%	\$10,709,308	0.40%	\$10,622,666	0.38%	\$11,559,305	0.39%	\$11,376,293	0.38%
Commercial Forestry Excise Tax	\$3,172,724	0.13%	\$2,907,340	0.11%	\$2,890,635	0.10%	\$2,888,700	0.10%	\$3,851,783	0.13%
Gasoline Tax	\$77,594	0.00%	\$317,783	0.01%	\$212,660	0.01%	\$246,235	0.01%	\$251,616	0.01%
Aeronautical Fuel Taxes	\$768,392	0.03%	\$1,043,664	0.04%	\$1,095,171	0.04%	\$359,655	0.01%	\$0	0.00%
Motor Vehicle & Operator's License Fees	\$2,717,664	0.11%	\$3,088,826	0.12%	\$3,119,616	0.11%	\$2,165,993	0.07%	\$2,146,777	0.07%
Hunting & Fishing License Fees	\$13,958,510	0.58%	\$16,898,278	0.63%	\$16,691,165	0.60%	\$16,840,079	0.57%	\$16,401,841	0.54%
ATV, Snowmobile and Watercraft Fees	\$2,483,836	0.10%	\$3,974,511	0.15%	\$4,149,038	0.15%	\$3,476,885	0.12%	\$4,162,079	0.14%
Marine Resources License Fees	\$1,779,428	0.07%	\$2,029,784	0.08%	\$2,029,848	0.07%	\$1,984,784	0.07%	\$1,932,207	0.06%
Mahogany Quahog Tax	\$75,628	0.00%	\$30,520	0.00%	\$45,532	0.00%	\$40,835	0.00%	\$32,541	0.00%
Environmental Protection Fees	\$10,075	0.00%	\$10,000	0.00%	\$9,667	0.00%	\$1,454	0.00%	\$0	0.00%
Milk Handling & Milk Stabilization Taxes	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$1,867,527	0.06%	\$2,561,972	0.08%
Pari-mutuel Revenue	\$1,089,556	0.05%	\$1,039,719	0.04%	\$967,495	0.03%	\$918,215	0.03%	\$903,916	0.03%
Racino Revenue	\$0	0.00%	\$0	0.00%	\$401,115	0.01%	\$4,346,725	0.15%	\$7,703,401	0.26%
Misc. Taxes, Fees & Assessments	\$1,601,357	0.07%	\$1,705,394	0.06%	\$1,776,665	0.06%	\$2,873,040	0.10%	\$3,127,759	0.10%
Lottery Revenue	\$39,442,111	1.65%	\$41,272,645	1.54%	\$49,328,102	1.77%	\$50,879,647	1.74%	\$50,624,741	1.68%
From Federal Government	\$22,803,551	0.95%	\$23,138,061	0.86%	\$24,307,990	0.87%	\$17,987,029	0.61%	\$15,310,753	0.51%
From Local Governments	\$1,000,810	0.04%	\$5,893,998	0.22%	\$1,768,145	0.06%	\$56,981	0.00%	\$116,311	0.00%
From Private Sources	\$2,723,741	0.11%	\$4,039,413	0.15%	\$2,663,763	0.10%	\$2,844,966	0.10%	\$2,087,766	0.07%
Service Charges for Current Services	\$26,585,009	1.11%	\$35,827,032	1.34%	\$30,924,909	1.11%	\$35,065,106	1.20%	\$30,192,401	1.00%
Contributions & Transfers from Other Funds	\$6,644,899	0.28%	\$19,331,546	0.72%	\$9,649,312	0.35%	\$1,808,432	0.06%	(\$358,634)	-0.01%
State Cost Allocation Program Transfers	\$10,986,971	0.46%	\$10,438,262	0.39%	\$12,891,574	0.46%	\$13,281,561	0.45%	\$15,428,622	0.51%
Sales & Comp. for Loss of Property	\$33,028	0.00%	\$509,595	0.02%	\$231,947	0.01%	\$224,145	0.01%	\$118,728	0.00%
Fines, Forfeits & Penalties	\$26,991,935	1.13%	\$38,219,275	1.42%	\$35,506,972	1.27%	\$37,781,055	1.29%	\$41,415,132	1.37%
Earnings on Investments	\$2,345,855	0.10%	\$2,310,207	0.09%	\$5,854,625	0.21%	\$8,271,869	0.28%	\$1,215,836	0.04%
<b>Total - General Fund Revenue</b>	<b>\$2,394,690,190</b>	<b>100.0%</b>	<b>\$2,683,539,557</b>	<b>100.0%</b>	<b>\$2,790,845,053</b>	<b>100.0%</b>	<b>\$2,931,825,687</b>	<b>100.0%</b>	<b>\$3,019,595,389</b>	<b>100.0%</b>

**Table GF-2 General Fund Expenditures by Departments & Major Programs  
Fiscal Years 2003 - 2007**

Departments/Programs	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
<b>Administrative and Financial Services</b>										
Tax Relief & Reimbursement Programs	\$79,419,288	3.14%	\$128,885,755	4.99%	\$113,061,240	4.13%	\$31,484,362	1.11%	\$34,728,833	1.15%
Governmental Facilities Authority Debt	\$11,567,901	0.46%	\$16,382,917	0.63%	\$14,577,824	0.53%	\$17,137,122	0.61%	\$19,054,175	0.63%
Other DAFS Programs	\$51,323,128	2.03%	\$50,840,141	1.97%	\$52,718,846	1.93%	\$52,364,930	1.85%	\$52,167,970	1.72%
<b>Administrative and Financial Services</b>	\$142,310,318	5.62%	\$196,108,813	7.59%	\$180,357,910	6.59%	\$100,986,414	3.58%	\$105,950,978	3.50%
<b>Agriculture, Food &amp; Rural Resources</b>	\$7,850,760	0.31%	\$8,118,854	0.31%	\$8,279,386	0.30%	\$7,319,660	0.26%	\$8,171,779	0.27%
<b>Attorney General</b>	\$13,176,899	0.52%	\$12,990,557	0.50%	\$13,781,047	0.50%	\$14,868,855	0.53%	\$15,279,761	0.51%
<b>Conservation</b>	\$22,005,036	0.87%	\$20,912,677	0.81%	\$21,018,779	0.77%	\$23,523,340	0.83%	\$22,563,030	0.75%
<b>Corrections</b>										
Adult Facilities	\$54,496,807	2.15%	\$55,870,797	2.16%	\$60,731,851	2.22%	\$64,972,948	2.30%	\$67,131,060	2.22%
Juvenile Facilities	\$24,671,002	0.97%	\$24,551,469	0.95%	\$26,002,794	0.95%	\$27,638,094	0.98%	\$28,797,711	0.95%
Other Corrections Programs	\$34,560,360	1.36%	\$37,222,328	1.44%	\$41,253,805	1.51%	\$39,692,639	1.41%	\$42,313,413	1.40%
<b>Corrections</b>	\$113,728,169	4.49%	\$117,644,594	4.55%	\$127,988,451	4.67%	\$132,303,681	4.68%	\$138,242,184	4.57%
<b>Cultural Agencies</b>	\$6,729,796	0.27%	\$6,171,995	0.24%	\$6,228,082	0.23%	\$6,192,753	0.22%	\$6,748,143	0.22%
<b>Defense, Veterans &amp; Emergency Management</b>	\$5,280,678	0.21%	\$4,463,395	0.17%	\$4,912,003	0.18%	\$5,103,153	0.18%	\$7,264,518	0.24%
<b>Economic and Community Development</b>	\$18,430,521	0.73%	\$12,373,991	0.48%	\$12,596,923	0.46%	\$12,609,931	0.45%	\$11,882,877	0.39%
<b>Education</b>										
General Purpose Aid for Local Schools	\$687,243,570	27.13%	\$699,041,403	27.05%	\$738,355,049	26.97%	\$838,193,470	29.68%	\$911,011,767	30.12%
Teacher Retirement	\$179,899,248	7.10%	\$170,014,497	6.58%	\$181,698,128	6.64%	\$148,459,994	5.26%	\$205,443,716	6.79%
Preschool Handicapped	\$14,229,954	0.56%	\$16,810,101	0.65%	\$18,522,655	0.68%	\$17,730,859	0.63%	\$14,608,900	0.48%
Other Department of Education Programs	\$32,013,524	1.26%	\$33,165,530	1.28%	\$32,838,192	1.20%	\$32,991,877	1.17%	\$32,802,051	1.08%
<b>Education</b>	\$913,386,296	36.06%	\$919,031,532	35.56%	\$971,414,023	35.48%	\$1,037,376,201	36.73%	\$1,163,866,433	38.48%
<b>Governor Baxter School</b>	\$5,807,977	0.23%	\$5,807,517	0.22%	\$5,757,517	0.21%	\$6,199,864	0.22%	\$6,057,297	0.20%
<b>Higher Educ. Institutions and Programs</b>	\$235,384,460	9.29%	\$233,405,441	9.03%	\$241,187,901	8.81%	\$246,831,523	8.74%	\$262,043,743	8.66%
<b>Environmental Protection</b>	\$6,844,098	0.27%	\$6,291,061	0.24%	\$6,292,927	0.23%	\$6,653,123	0.24%	\$6,561,928	0.22%
<b>Executive Department</b>	\$4,979,303	0.20%	\$4,794,835	0.19%	\$5,021,215	0.18%	\$5,169,557	0.18%	\$5,398,858	0.18%
<b>Health &amp; Human Services (formerly BDS) *</b>										
Mental Retardation Services	\$94,614,098	3.73%	\$96,262,051	3.72%	\$104,898,035	3.83%	\$106,673,324	3.78%	\$128,664,088	4.25%
Mental Health Services	\$104,943,914	4.14%	\$114,587,830	4.43%	\$112,824,880	4.12%	\$121,933,608	4.32%	\$134,015,060	4.43%
Other MHMSAS Programs	\$42,179,207	1.67%	\$46,852,236	1.81%	\$44,374,995	1.62%	\$48,142,661	1.70%	\$50,111,540	1.66%
<b>Health &amp; Human Services (formerly BDS) *</b>	\$241,737,219	9.54%	\$257,702,117	9.97%	\$262,097,910	9.57%	\$276,749,592	9.80%	\$312,790,688	10.34%
<b>Health &amp; Human Services (formerly DHS) *</b>										
Medical Care - Payments to Providers	\$301,112,932	11.89%	\$308,592,177	11.94%	\$372,646,020	13.61%	\$420,783,399	14.90%	\$347,835,496	11.50%
Nursing Facilities	\$52,912,410	2.09%	\$46,511,527	1.80%	\$53,616,717	1.96%	\$55,979,618	1.98%	\$61,764,437	2.04%
AFDC/TANF	\$14,585,895	0.58%	\$19,566,298	0.76%	\$18,545,446	0.68%	\$17,652,224	0.62%	\$27,786,603	0.92%
Child Welfare/Foster Care	\$43,391,648	1.71%	\$49,020,320	1.90%	\$56,637,146	2.07%	\$52,157,093	1.85%	\$54,995,814	1.82%
State Supplement to Federal SSI	\$8,772,919	0.35%	\$8,852,958	0.34%	\$4,961,340	0.18%	\$5,137,417	0.18%	\$5,345,846	0.18%
General Assistance	\$5,025,947	0.20%	\$5,518,412	0.21%	\$5,888,966	0.22%	\$5,555,973	0.20%	\$6,447,215	0.21%
Other Human Services Programs	\$124,058,484	4.90%	\$108,333,274	4.19%	\$117,917,212	4.31%	\$135,959,723	4.81%	\$191,157,222	6.32%
<b>Health &amp; Human Services (formerly DHS) *</b>	\$549,860,234	21.71%	\$546,394,967	21.14%	\$630,212,847	23.02%	\$693,225,447	24.54%	\$695,332,634	22.99%
<b>Inland Fisheries and Wildlife</b>	\$20,417,874	0.81%	\$21,486,855	0.83%	\$22,968,702	0.84%	\$23,196,160	0.82%	\$23,540,339	0.78%
<b>Judicial Department</b>	\$50,873,548	2.01%	\$51,503,197	1.99%	\$53,673,066	1.96%	\$55,019,029	1.95%	\$57,922,424	1.92%
<b>Labor</b>										
Rehabilitation Services	\$13,695,384	0.54%	\$14,602,973	0.57%	\$9,635,434	0.35%	\$8,519,407	0.30%	\$8,894,640	0.29%
Employment Services Activities	\$5,113,851	0.20%	\$5,199,418	0.20%	\$4,719,981	0.17%	\$4,156,008	0.15%	\$4,654,938	0.15%
Other Labor Programs	\$1,650,511	0.07%	\$1,608,727	0.06%	\$1,628,264	0.06%	\$1,489,630	0.05%	\$1,399,328	0.05%
<b>Labor</b>	\$20,459,746	0.81%	\$21,411,118	0.83%	\$15,983,678	0.58%	\$14,165,046	0.50%	\$14,948,906	0.49%
<b>Legislature</b>	\$22,161,605	0.87%	\$20,650,828	0.80%	\$24,744,420	0.90%	\$24,616,420	0.87%	\$26,681,568	0.88%
<b>Marine Resources</b>	\$9,770,992	0.39%	\$9,041,679	0.35%	\$9,559,794	0.35%	\$9,165,860	0.32%	\$9,541,375	0.32%
<b>Public Safety</b>										
Public Safety - State Police	\$14,190,545	0.56%	\$13,302,142	0.51%	\$13,927,652	0.51%	\$14,712,244	0.52%	\$17,076,762	0.56%
Public Safety - Other Programs	\$6,383,297	0.25%	\$4,092,574	0.16%	\$4,646,278	0.17%	\$4,758,794	0.17%	\$6,008,218	0.20%
<b>Public Safety</b>	\$20,573,842	0.81%	\$17,394,716	0.67%	\$18,573,930	0.68%	\$19,471,038	0.69%	\$23,084,981	0.76%
<b>Secretary of State</b>	\$3,923,376	0.15%	\$3,484,172	0.13%	\$3,236,548	0.12%	\$3,370,190	0.12%	\$3,375,840	0.11%
<b>Transportation</b>										
Highway & Bridge Maint. & Improv.	\$128,792	0.01%	\$140,705	0.01%	\$140,135	0.01%	\$34,712	0.00%	\$0	0.00%
Other Transportation Programs	\$4,175,209	0.16%	\$3,460,539	0.13%	\$3,443,765	0.13%	\$153,535	0.01%	\$0	0.00%
<b>Transportation</b>	\$4,304,001	0.17%	\$3,601,244	0.14%	\$3,583,900	0.13%	\$188,247	0.01%	\$0	0.00%
<b>Treasurer of State</b>										
Debt Service - Treasury	\$83,320,174	3.29%	\$74,774,613	2.89%	\$74,628,744	2.73%	\$78,905,805	2.79%	\$88,003,189	2.91%
Other Treasury Programs	\$1,075,274	0.04%	\$1,022,712	0.04%	\$1,125,892	0.04%	\$1,096,776	0.04%	\$1,086,213	0.04%
<b>Treasurer of State</b>	\$84,395,448	3.33%	\$75,797,325	2.93%	\$75,754,636	2.77%	\$80,002,581	2.83%	\$89,089,402	2.95%
<b>All Other - State Agencies</b>	\$8,805,414	0.35%	\$7,648,617	0.30%	\$12,897,541	0.47%	\$20,102,743	0.71%	\$8,023,765	0.27%
<b>Total - General Fund Expenditures</b>	<b>\$2,533,197,609</b>	<b>100.0%</b>	<b>\$2,584,232,096</b>	<b>100.0%</b>	<b>\$2,738,123,135</b>	<b>100.0%</b>	<b>\$2,824,410,407</b>	<b>100.0%</b>	<b>\$3,024,363,451</b>	<b>100.0%</b>

\* The Department of Mental Health, Mental Retardation and Substance Abuse Services was renamed to the Department of Behavioral and Developmental Services (PL 2001, c. 354) and was then merged with the Department of Human Services (PL 2003, c. 689). Beginning in fiscal year 2008, programs and accounts of these departments will be merged into new programs and accounts of the Department of Health and Human Services. In transition, the departments' budgets will be designated with parenthetical designation of (formerly BDS) and (formerly DHS) to provide a distinction until the new program structure for the merged department is created.

**Table GF-3 GENERAL FUND**  
**Fiscal Years 2003 - 2007**  
**Expenditures**

**Expenditures - By Expenditure Category**

Expenditure Category	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Personal Services										
Salaries and Wages	\$245,902,865	9.7%	\$252,008,419	9.8%	\$253,691,577	9.3%	\$255,744,055	9.1%	\$267,887,333	8.9%
Retirement Costs	\$58,829,926	2.3%	\$59,776,685	2.3%	\$68,282,101	2.5%	\$75,723,030	2.7%	\$78,659,081	2.6%
Health Insurance	\$45,574,080	1.8%	\$37,871,359	1.5%	\$53,667,368	2.0%	\$54,269,370	1.9%	\$53,540,872	1.8%
Other Fringe Benefits	\$12,336,582	0.5%	\$12,076,384	0.5%	\$11,635,814	0.4%	\$12,363,882	0.4%	\$12,584,958	0.4%
Unemployment Reimbursements	\$413,444	0.0%	\$450,838	0.0%	\$450,204	0.0%	\$316,122	0.0%	\$343,307	0.0%
Personal Services - Subtotal	\$363,056,897	14.3%	\$362,183,685	14.0%	\$387,727,063	14.2%	\$398,416,458	14.1%	\$413,015,551	13.7%
All Other										
Professional Services	\$66,918,976	2.6%	\$59,004,530	2.3%	\$64,830,259	2.4%	\$75,462,740	2.7%	\$93,087,401	3.1%
Travel Expenses	\$5,866,952	0.2%	\$5,744,094	0.2%	\$6,247,441	0.2%	\$6,015,597	0.2%	\$6,856,956	0.2%
Miscellaneous Operating Expenses	\$62,288,645	2.5%	\$66,536,557	2.6%	\$68,516,758	2.5%	\$77,120,592	2.7%	\$87,341,332	2.9%
Commodities	\$42,417,336	1.7%	\$43,481,370	1.7%	\$50,300,171	1.8%	\$49,583,589	1.8%	\$74,199,604	2.5%
Grants, Subsidies and Pensions										
To Other Governments	\$690,215,560	27.2%	\$700,927,447	27.1%	\$736,330,598	26.9%	\$818,967,021	29.0%	\$897,709,736	29.7%
To Pub. and Priv. Orgs.	\$387,137,702	15.3%	\$380,362,667	14.7%	\$379,509,300	13.9%	\$392,698,998	13.9%	\$416,428,415	13.8%
To Individuals	\$815,596,380	32.2%	\$877,862,365	34.0%	\$957,973,470	35.0%	\$915,788,789	32.4%	\$937,019,362	31.0%
Debt Service										
Principal	\$63,880,000	2.5%	\$56,240,000	2.2%	\$53,452,439	2.0%	\$58,130,199	2.1%	\$69,814,585	2.3%
Interest	\$26,614,980	1.1%	\$26,334,000	1.0%	\$28,067,596	1.0%	\$28,879,745	1.0%	\$25,882,687	0.9%
Contrib. and Trans. to Other Funds	\$3,160,726	0.1%	\$3,056,117	0.1%	\$3,060,603	0.1%	\$360,893	0.0%	\$346,787	0.0%
All Other - Subtotal	\$2,164,097,258	85.4%	\$2,219,549,145	85.9%	\$2,348,288,635	85.8%	\$2,423,008,163	85.8%	\$2,608,686,865	86.3%
Capital Expenditures	\$6,043,454	0.2%	\$2,499,266	0.1%	\$2,107,437	0.1%	\$2,985,786	0.1%	\$2,661,036	0.1%
<b>Total Expenditures</b>	<b>\$2,533,197,609</b>	<b>100.0%</b>	<b>\$2,584,232,096</b>	<b>100.0%</b>	<b>\$2,738,123,135</b>	<b>100.0%</b>	<b>\$2,824,410,407</b>	<b>100.0%</b>	<b>\$3,024,363,451</b>	<b>100.0%</b>

## **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 Transfers from the State Contingent Account**

<b><u>Fiscal Year</u></b>	<b><u>Transfers</u></b>	<b><u>Fiscal Year</u></b>	<b><u>Transfers</u></b>
1988	\$179,250	1998	\$227,685
1989	\$735,934	1999	\$212,497
1990	\$1,162,884	2000	\$303,509
1991	\$1,142,187	2001	\$321,994
1992	\$1,178,199	2002	\$153,519
1993	\$1,337,850	2003	\$287,962
1994	\$1,966,025	2004	\$306,000
1995	\$1,926,285	2005	\$349,219
1996	\$1,824,254	2006	\$349,500
1997	\$2,225,755	2007	\$344,791

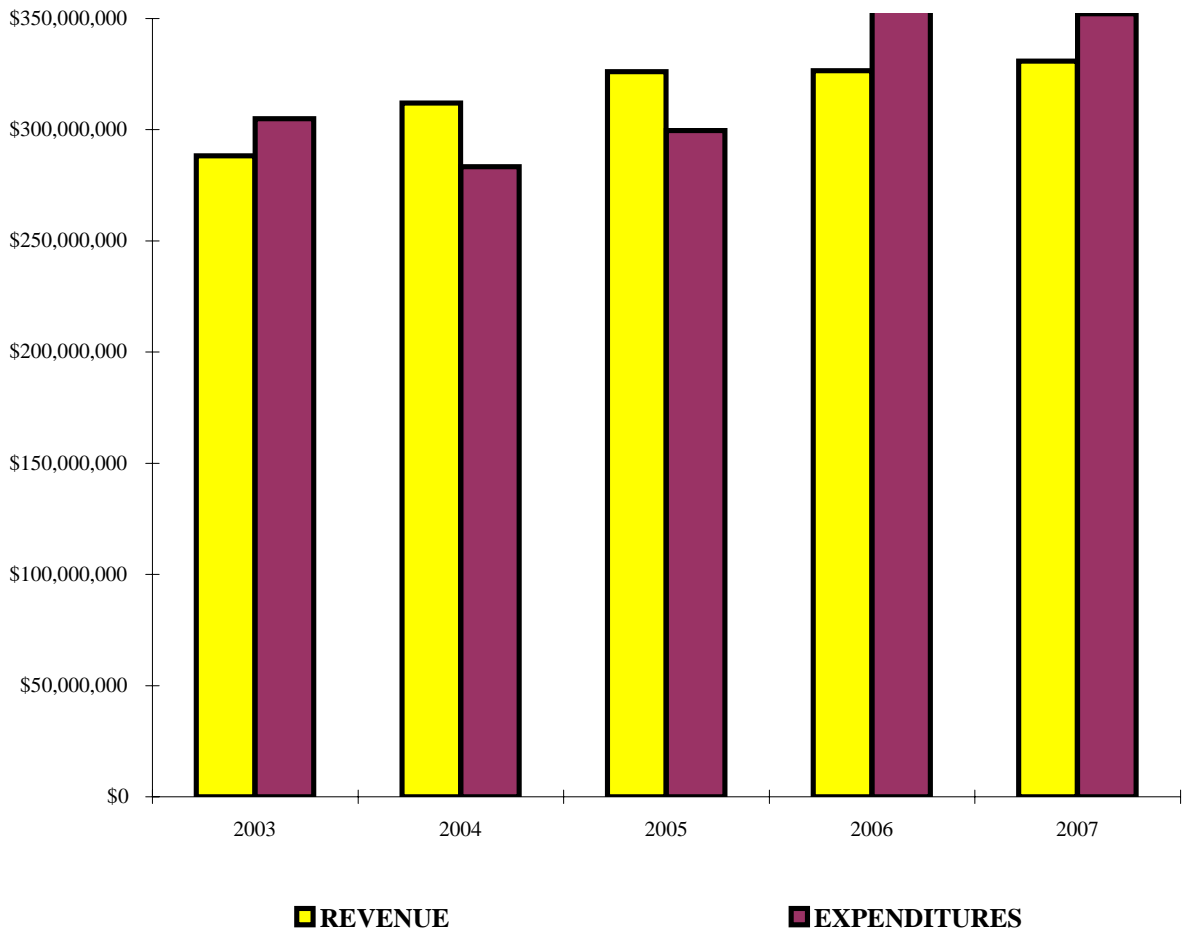
**Balance July 1, 2007: \$350,000**

### **History – State Contingent Account**

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. At the end of each fiscal year the Governor may request a General Fund appropriation to bring the total available in the State Contingent Account to a maximum of \$2,350,000. PL 2005, c. 12, Part CC effective June 29, 2005 added a provision that authorizes the Governor to access any funds available to the state, up to a maximum of \$750,000 if funds remaining in the State Contingent Account are not sufficient to address an emergency expense as authorized by 5 M.R.S.A. §1507, sub-§4. \$600,000 was transferred pursuant to the authority in fiscal year 2005 and \$750,000 was transferred in fiscal year 2006. This provision was not used for fiscal year 2007.



**Graph HF-1 HIGHWAY FUND  
Revenue and Expenditures  
Fiscal Years 2003 - 2007**



	2003	2004	2005	2006	2007
<b>REVENUE</b>	<b>\$288,246,084</b>	<b>\$312,027,986</b>	<b>\$326,078,155</b>	<b>\$326,546,157</b>	<b>\$330,821,083</b>
<b>Annual % Change</b>	<b>2.2%</b>	<b>8.3%</b>	<b>4.5%</b>	<b>0.1%</b>	<b>1.3%</b>
<b>EXPENDITURES</b>	<b>\$304,987,282</b>	<b>\$283,343,403</b>	<b>\$299,596,972</b>	<b>\$370,948,351</b>	<b>\$352,202,706</b>
<b>Annual % Change</b>	<b>2.5%</b>	<b>-7.1%</b>	<b>5.7%</b>	<b>23.8%</b>	<b>-5.1%</b>

**Table HF-1 Highway Fund Revenue  
Fiscal Years 2003 - 2007**

REVENUE SOURCE	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Gasoline Tax	\$151,498,395	52.56%	\$172,209,713	55.19%	\$175,084,215	53.69%	\$176,769,409	54.13%	\$181,018,162	54.72%
Special Fuel & Road Use Taxes	\$36,402,613	12.63%	\$40,391,130	12.94%	\$45,400,514	13.92%	\$44,805,900	13.72%	\$45,805,856	13.85%
<b>Motor Veh. &amp; Operator's Lic. Fees</b>										
Motor Vehicle & Truck Registration Fees	\$62,532,625	21.69%	\$64,943,438	20.81%	\$66,429,971	20.37%	\$66,330,219	20.31%	\$65,645,050	19.84%
Title Fees	\$9,962,698	3.46%	\$10,308,628	3.30%	\$10,946,453	3.36%	\$10,327,181	3.16%	\$9,697,812	2.93%
Special Registration Plates	\$1,680,071	0.58%	\$1,844,741	0.59%	\$1,898,295	0.58%	\$1,938,192	0.59%	\$2,051,391	0.62%
Motor Vehicle Dealer Fees	\$193,348	0.07%	\$197,871	0.06%	\$185,292	0.06%	\$179,991	0.06%	\$177,507	0.05%
Motor Vehicle Inspection Fees	\$3,043,561	1.06%	\$3,117,787	1.00%	\$3,097,165	0.95%	\$3,099,930	0.95%	\$3,103,044	0.94%
Special Permit Fees	\$1,051,457	0.36%	\$1,513,600	0.49%	\$1,088,888	0.33%	\$1,201,407	0.37%	\$1,168,585	0.35%
Truck Excise Tax Program	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
Motor Vehicle Operator's License Fees	\$7,361,744	2.55%	\$3,776,502	1.21%	\$3,718,578	1.14%	\$7,395,115	2.26%	\$7,907,249	2.39%
Operator's License Restoration Fees	\$1,301,936	0.45%	\$1,506,575	0.48%	\$1,466,834	0.45%	\$1,488,264	0.46%	\$1,812,865	0.55%
Driver Education Licensing Fees	\$74,755	0.03%	\$76,810	0.02%	\$74,006	0.02%	\$72,355	0.02%	\$70,890	0.02%
<b>MV &amp; Operator's Lic. Fees - Subtotal</b>	<b>\$87,202,194</b>	<b>30.25%</b>	<b>\$87,285,952</b>	<b>27.97%</b>	<b>\$88,905,481</b>	<b>27.27%</b>	<b>\$92,032,654</b>	<b>28.18%</b>	<b>\$91,634,392</b>	<b>27.70%</b>
Misc. Taxes, Fees & Assessments	(\$5,527)	0.00%	\$0	0.00%	(\$15,393)	0.00%	(\$1,072)	0.00%	(\$9,200)	0.00%
From Federal Government	\$0	0.00%	\$0	0.00%	(\$5)	0.00%	\$0	0.00%	\$0	0.00%
From Local Governments	\$41,634	0.01%	\$18,318	0.01%	\$19,138	0.01%	\$11,280	0.00%	\$11,182	0.00%
From Private Sources	(\$1,444)	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
Service Charges for Current Services	\$5,105,169	1.77%	\$4,793,994	1.54%	\$4,811,988	1.48%	\$5,223,443	1.60%	\$5,270,563	1.59%
Contributions & Transfers from Other Funds	\$1,852,792	0.64%	\$1,860,604	0.60%	\$1,599,006	0.49%	\$1,739,426	0.53%	\$1,989,389	0.60%
State Cost Allocation Program Transfers	\$1,669,827	0.58%	\$1,705,287	0.55%	\$1,726,662	0.53%	\$1,750,557	0.54%	\$1,890,585	0.57%
Sales & Comp. for Loss of Property	\$609,945	0.21%	\$935,706	0.30%	\$5,414,407	1.66%	\$347,302	0.11%	\$217,945	0.07%
Fines, Forfeits & Penalties	\$2,531,692	0.88%	\$1,918,703	0.61%	\$1,518,580	0.47%	\$1,809,813	0.55%	\$1,668,000	0.50%
Earnings on Investments	\$1,338,794	0.46%	\$720,046	0.23%	\$1,440,739	0.44%	\$1,833,806	0.56%	\$1,105,987	0.33%
From Maine Turnpike Authority	\$0	0.00%	\$188,532	0.06%	\$172,823	0.05%	\$223,637	0.07%	\$218,222	0.07%
<b>Total - Highway Fund Revenue</b>	<b>\$288,246,084</b>	<b>100.0%</b>	<b>\$312,027,986</b>	<b>100.0%</b>	<b>\$326,078,155</b>	<b>100.0%</b>	<b>\$326,546,157</b>	<b>100.0%</b>	<b>\$330,821,083</b>	<b>100.0%</b>

**Table HF-2 Highway Fund Expenditures by Departments & Major Programs  
Fiscal Years 2003 - 2007**

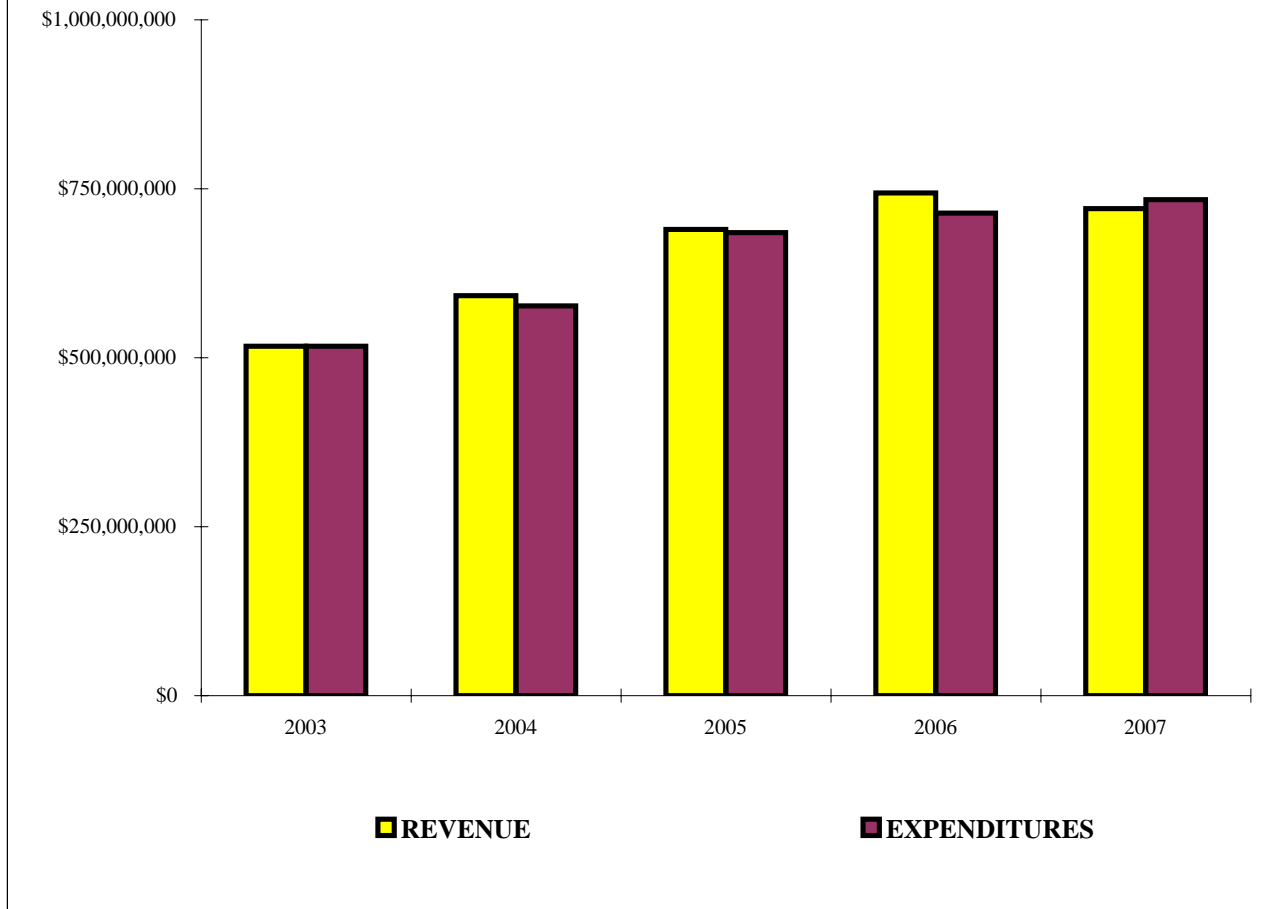
Departments/Programs	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
<b>Administrative and Financial Services</b>										
Buildings and Grounds Operations	\$1,669,827	0.55%	\$2,373,899	0.84%	\$2,386,519	0.80%	\$2,414,326	0.65%	\$2,475,822	0.70%
State Claims Board	\$67,304	0.02%	\$64,790	0.02%	\$43,548	0.01%	\$41,540	0.01%	\$68,921	0.02%
Other DAFS Programs	\$227,339	0.07%	\$197,963	0.07%	\$549,300	0.18%	\$381,517	0.10%	\$294,618	0.08%
<b>Administrative and Financial Services</b>	\$1,964,470	0.64%	\$2,636,652	0.93%	\$2,979,366	0.99%	\$2,837,383	0.76%	\$2,839,360	0.81%
<b>Environmental Protection</b>	\$44,703	0.01%	\$34,590	0.01%	\$30,192	0.01%	\$33,237	0.01%	\$40,471	0.01%
<b>Legislature</b>	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$1,297	0.00%	\$2,988	0.00%
<b>Public Safety</b>										
State Police	\$25,425,173	8.34%	\$25,962,946	9.16%	\$25,222,979	8.42%	\$27,874,015	7.51%	\$29,034,508	8.24%
Other Public Safety Programs	\$6,749,586	2.21%	\$7,152,771	2.52%	\$7,237,229	2.42%	\$7,578,629	2.04%	\$7,771,925	2.21%
<b>Public Safety</b>	\$32,174,759	10.55%	\$33,115,717	11.69%	\$32,460,208	10.83%	\$35,452,644	9.56%	\$36,806,433	10.45%
<b>Secretary of State</b>										
Administration - Motor Vehicles	\$30,323,579	9.94%	\$28,136,548	9.93%	\$31,259,226	10.43%	\$31,465,817	8.48%	\$32,562,738	9.25%
<b>Secretary of State</b>	\$30,323,579	9.94%	\$28,136,548	9.93%	\$31,259,226	10.43%	\$31,465,817	8.48%	\$32,562,738	9.25%
<b>Transportation</b>										
Highway and Bridge Improvement	\$53,256,252	17.46%	\$36,315,397	12.82%	\$46,575,274	15.55%	\$108,473,061	29.24%	\$90,087,650	25.58%
Highway Maintenance	\$104,410,551	34.23%	\$103,326,693	36.47%	\$111,332,857	37.16%	\$129,957,809	35.03%	\$130,527,751	37.06%
Bridge Maintenance	\$14,290,901	4.69%	\$14,556,644	5.14%	\$13,750,489	4.59%	\$0	0.00%	\$0	0.00%
Local Road Assistance	\$21,794,644	7.15%	\$21,602,936	7.62%	\$22,826,176	7.62%	\$25,628,606	6.91%	\$26,091,054	7.41%
Local Bridges	(\$189,517)	-0.06%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
Collector Road Program	\$2,782,793	0.91%	\$3,008,446	1.06%	\$2,786,150	0.93%	\$0	0.00%	\$0	0.00%
Traffic Service	\$3,578,567	1.17%	\$5,416,873	1.91%	\$3,757,128	1.25%	\$0	0.00%	\$0	0.00%
Administration & Planning	\$14,578,133	4.78%	\$15,039,741	5.31%	\$15,182,710	5.07%	\$16,799,689	4.53%	\$16,171,626	4.59%
Other Transportation Programs	\$758,620	0.25%	\$1,116,149	0.39%	\$899,661	0.30%	\$4,341,503	1.17%	\$4,528,050	1.29%
Debt Service - Transportation	\$25,218,828	8.27%	\$19,037,015	6.72%	\$15,757,535	5.26%	\$15,957,306	4.30%	\$12,544,584	3.56%
<b>Transportation</b>	\$240,479,771	78.85%	\$219,419,895	77.44%	\$232,867,980	77.73%	\$301,157,974	81.19%	\$279,950,715	79.49%
<b>Total - Highway Fund Expenditures</b>	<b>\$304,987,282</b>	<b>100.0%</b>	<b>\$283,343,403</b>	<b>100.0%</b>	<b>\$299,596,972</b>	<b>100.0%</b>	<b>\$370,948,351</b>	<b>100.0%</b>	<b>\$352,202,706</b>	<b>100.0%</b>

**Table HF-3 HIGHWAY FUND**  
**Fiscal Years 2003 - 2007**  
**Expenditures**

**Expenditures - By Expenditure Category**

Expenditure Category	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Personal Services										
Salaries and Wages	\$88,431,988	29.0%	\$90,811,118	32.0%	\$87,793,735	29.3%	\$89,917,165	24.2%	\$92,391,863	26.2%
Retirement Costs	\$20,444,223	6.7%	\$21,453,491	7.6%	\$23,604,056	7.9%	\$26,895,906	7.3%	\$28,096,576	8.0%
Health Insurance	\$17,943,005	5.9%	\$15,901,154	5.6%	\$21,571,504	7.2%	\$21,438,320	5.8%	\$21,445,880	6.1%
Other Fringe Benefits	\$5,495,458	1.8%	\$5,467,045	1.9%	\$4,811,943	1.6%	\$5,279,322	1.4%	\$5,289,950	1.5%
Unemployment Reimbursements	\$229,782	0.1%	\$225,233	0.1%	\$318,563	0.1%	\$181,327	0.0%	\$234,153	0.1%
Personal Services - Subtotal	\$132,544,456	43.5%	\$133,858,042	47.2%	\$138,099,801	46.1%	\$143,712,039	38.7%	\$147,458,421	41.9%
All Other										
Professional Services	\$5,952,720	2.0%	\$4,123,981	1.5%	\$8,074,180	2.7%	\$11,738,734	3.2%	\$15,218,050	4.3%
Travel Expenses	\$1,520,088	0.5%	\$1,641,991	0.6%	\$1,459,390	0.5%	\$1,846,324	0.5%	\$1,739,717	0.5%
Miscellaneous Oper. Expenses	\$37,617,479	12.3%	\$39,868,700	14.1%	\$43,970,067	14.7%	\$47,253,661	12.7%	\$46,183,886	13.1%
Commodities	\$28,896,361	9.5%	\$25,857,003	9.1%	\$28,123,419	9.4%	\$30,176,000	8.1%	\$32,110,527	9.1%
Grants, Subsidies and Pensions										
To Other Governments	\$22,410,153	7.3%	\$22,164,529	7.8%	\$23,479,034	7.8%	\$26,117,293	7.0%	\$26,259,273	7.5%
To Pub. and Priv. Orgs.	\$640,231	0.2%	\$611,294	0.2%	\$3,019,688	1.0%	\$3,750,799	1.0%	\$2,022,277	0.6%
To Individuals	\$334,646	0.1%	\$388,817	0.1%	\$373,929	0.1%	\$316,232	0.1%	\$327,961	0.1%
Debt Service										
Principal	\$21,215,000	7.0%	\$16,113,344	5.7%	\$13,476,067	4.5%	\$14,683,645	4.0%	\$11,465,099	3.3%
Interest	\$4,204,793	1.4%	\$3,280,319	1.2%	\$2,674,671	0.9%	\$2,159,099	0.6%	\$2,231,884	0.6%
Contrib. and Trans. to Other Funds	\$3,957,164	1.3%	\$3,603,601	1.3%	\$4,503,104	1.5%	\$8,415,922	2.3%	\$8,622,316	2.4%
All Other - Subtotal	\$126,748,635	41.6%	\$117,653,579	41.5%	\$129,153,550	43.1%	\$146,457,709	39.5%	\$146,180,991	41.5%
Capital Expenditures	\$45,694,191	15.0%	\$31,831,781	11.2%	\$32,343,622	10.8%	\$80,778,603	21.8%	\$58,563,293	16.6%
<b>Total Expenditures</b>	<b>\$304,987,282</b>	<b>100.0%</b>	<b>\$283,343,403</b>	<b>100.0%</b>	<b>\$299,596,972</b>	<b>100.0%</b>	<b>\$370,948,351</b>	<b>100.0%</b>	<b>\$352,202,706</b>	<b>100.0%</b>

**Graph OSR-1 OTHER SPECIAL REVENUE FUNDS  
Revenue and Expenditures  
Fiscal Years 2003 - 2007**



	2003	2004	2005	2006	2007
<b>REVENUE</b>	<b>\$517,173,170</b>	<b>\$591,861,317</b>	<b>\$690,062,105</b>	<b>\$744,029,822</b>	<b>\$720,443,812</b>
<b>Annual % Change</b>	<b>3.4%</b>	<b>14.4%</b>	<b>16.6%</b>	<b>7.8%</b>	<b>-3.2%</b>
<b>EXPENDITURES</b>	<b>\$517,096,343</b>	<b>\$576,757,967</b>	<b>\$685,272,852</b>	<b>\$713,860,686</b>	<b>\$733,940,734</b>
<b>Annual % Change</b>	<b>0.1%</b>	<b>11.7%</b>	<b>32.5%</b>	<b>23.8%</b>	<b>7.1%</b>

**Table OSR-1 Other Special Revenue Funds Revenue - Fiscal Years 2003 - 2007**

REVENUE SOURCE	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Individual Income Tax	\$3,124,465	0.60%	\$3,312,152	0.56%	\$2,996,659	0.43%	\$4,558,216	0.61%	\$4,367,042	0.61%
Sales and Use Taxes	\$8,355	0.00%	\$5,193	0.00%	\$23,091	0.00%	\$8,510	0.00%	\$15.50	0.00%
Transfers for Municipal Revenue Sharing	\$103,039,221	19.92%	\$111,469,714	18.83%	\$119,712,814	17.35%	\$124,222,180	16.70%	\$130,069,834	18.05%
Service Provider Tax	\$0	0.00%	\$0	0.00%	\$15,535,099	2.25%	\$30,960,179	4.16%	\$33,955,412	4.71%
Cig. & Tobacco Products Lic. Fees	\$6,155	0.00%	\$8,462	0.00%	\$1,725	0.00%	\$2,800	0.00%	\$11,338	0.00%
Fire Investigation & Prevention Tax	\$4,891,046	0.95%	\$3,652,172	0.62%	\$3,866,037	0.56%	\$3,867,755	0.52%	\$4,228,305	0.59%
Insurance Regulatory Assessments and Fees	\$3,610,681	0.70%	\$8,367,081	1.41%	\$3,345,493	0.48%	\$12,145,574	1.63%	\$2,117,571	0.29%
Worker's Compensation Assessments	\$4,017,799	0.78%	\$12,778,682	2.16%	\$8,638,815	1.25%	\$8,874,698	1.19%	\$6,370,295	0.88%
Safety Education & Training Assessment	\$1,936,939	0.37%	\$2,079,353	0.35%	\$1,768,890	0.26%	\$2,129,375	0.29%	\$2,249,051	0.31%
Finance Industry Fees and Assessments	\$5,199,106	1.01%	\$5,359,548	0.91%	\$5,080,321	0.74%	\$5,385,465	0.72%	\$5,657,713	0.79%
Professional & Occupational Licensing Fees	\$10,610,753	2.05%	\$11,110,269	1.88%	\$11,720,978	1.70%	\$13,309,213	1.79%	\$12,363,065	1.72%
Hospital Assessments and Taxes	\$0	0.00%	\$16,383,319	2.77%	\$48,907,135	7.09%	\$54,050,914	7.26%	\$59,807,056	8.30%
Health Care Provider Tax	\$23,613,564	4.57%	\$32,119,110	5.43%	\$31,200,066	4.52%	\$33,265,910	4.47%	\$31,941,717	4.43%
Health Care Institution License Fees	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$250	0.00%	\$250	0.00%
Railroad Company Tax	\$150,000	0.03%	\$150,000	0.03%	\$150,000	0.02%	\$20,000	0.00%	\$0	0.00%
Public Utilities Commission Assessments	\$8,292,063	1.60%	\$12,121,859	2.05%	\$14,590,190	2.11%	\$15,477,789	2.08%	\$14,389,587	2.00%
Public Advocate Assessment	\$1,334,203	0.26%	\$1,619,749	0.27%	\$2,092,762	0.30%	\$1,605,101	0.22%	\$1,552,310	0.22%
E-9-1-1 Surcharge	\$7,885,497	1.52%	\$7,948,519	1.34%	\$8,279,202	1.20%	\$8,244,839	1.11%	\$8,499,625	1.18%
Real Estate Transfer Tax	\$10,758,160	2.08%	\$6,216,471	1.05%	\$8,881,845	1.29%	\$9,356,426	1.26%	\$7,281,652	1.01%
Unorganized Territory Taxes	\$7,502,502	1.45%	\$6,565,101	1.11%	\$7,759,063	1.12%	\$8,983,844	1.21%	\$9,548,152	1.33%
Gasoline Tax	\$3,020,328	0.58%	\$3,443,270	0.58%	\$3,548,393	0.51%	\$4,313,539	0.58%	\$4,407,799	0.61%
Motor Vehicle & Operator's License Fees	\$3,932,920	0.76%	\$4,016,399	0.68%	\$4,393,542	0.64%	\$4,798,004	0.64%	\$4,947,990	0.69%
Hunting & Fishing License Fees	\$577,556	0.11%	\$648,994	0.11%	\$785,056	0.11%	\$572,620	0.08%	\$716,692	0.10%
ATV, Snowmobile and Watercraft Fees	\$2,823,187	0.55%	\$3,102,883	0.52%	\$3,379,530	0.49%	\$3,325,991	0.45%	\$3,765,894	0.52%
Lake & River Protection Sticker Fees	\$1,201,032	0.23%	\$1,034,409	0.17%	\$799,139	0.12%	\$849,290	0.11%	\$1,448,741	0.20%
Marine Resources License Fees	\$382,463	0.07%	\$638,918	0.11%	\$729,274	0.11%	\$752,567	0.10%	\$717,860	0.10%
Salmon Tax	\$123,590	0.02%	\$231,548	0.04%	\$19,682	0.00%	\$0	0.00%	\$0	0.00%
Mahogany Quahog Tax	\$16,000	0.00%	\$56,000	0.01%	\$56,000	0.01%	\$56,391	0.01%	\$60,688	0.01%
Environmental Protection Fees	\$28,427,728	5.50%	\$29,914,893	5.05%	\$24,702,249	3.58%	\$24,660,271	3.31%	\$28,754,402	3.99%
Recycling Assistance Fees	\$1,340,422	0.26%	\$1,469,311	0.25%	\$1,704,900	0.25%	\$1,504,233	0.20%	\$1,902,773	0.26%
Milk Pool & Other Milk Fees	\$3,260,332	0.63%	\$3,142,469	0.53%	\$2,029,416	0.29%	\$2,797,256	0.38%	\$4,075,863	0.57%
Blueberry Tax	\$1,031,403	0.20%	\$1,330,112	0.22%	\$893,062	0.13%	\$1,007,374	0.14%	\$1,233,229	0.17%
Potato Tax	\$683,182	0.13%	\$723,516	0.12%	\$644,764	0.09%	\$702,871	0.09%	\$690,122	0.10%
Pari-mutuel Revenue	\$3,673,532	0.71%	\$3,472,412	0.59%	\$3,274,455	0.47%	\$2,816,289	0.38%	\$2,584,049	0.36%
Racino Revenue	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$6,401,222	0.86%	\$12,764,697	1.77%
Misc. Taxes, Fees & Assessments	\$3,431,144	0.66%	\$4,144,984	0.70%	\$4,150,636	0.60%	\$4,635,159	0.62%	\$4,895,568	0.68%
Lottery Revenue	\$811,296	0.16%	\$766,643	0.13%	\$800,309	0.12%	\$908,065	0.12%	\$810,598	0.11%
From Federal Government	(\$6,613,270)	-1.28%	(\$3,160,876)	-0.53%	\$1,510,119	0.22%	\$1,183,021	0.16%	\$1,103,062	0.15%
From Local Governments	\$9,950,910	1.92%	\$8,991,141	1.52%	\$8,797,275	1.27%	\$8,896,197	1.20%	\$12,283,924	1.71%
From Private Sources	\$105,191,174	20.34%	\$124,396,157	21.02%	\$116,715,289	16.91%	\$114,854,966	15.44%	\$109,441,799	15.19%
Tobacco Settlement Payments	\$55,807,033	10.79%	\$48,952,964	8.27%	\$49,033,129	7.11%	\$45,011,759	6.05%	\$47,113,687	6.54%
Service Charges for Current Services	\$73,663,929	14.24%	\$73,729,156	12.46%	\$132,702,367	19.23%	\$140,626,746	18.90%	\$105,499,201	14.64%
Contributions & Transfers from Other Funds	\$12,188,812	2.36%	\$23,229,935	3.92%	\$17,495,307	2.54%	\$15,567,992	2.09%	\$14,887,196	2.07%
Sales & Comp. for Loss of Property	\$3,534,834	0.68%	\$4,167,337	0.70%	\$3,929,316	0.57%	\$5,052,289	0.68%	\$3,364,354	0.47%
Fines, Forfeits & Penalties	\$5,614,743	1.09%	\$6,950,985	1.17%	\$6,708,305	0.97%	\$8,306,468	1.12%	\$9,272,473	1.29%
Earnings on Investments	\$2,968,771	0.57%	\$695,548	0.12%	\$1,884,226	0.27%	\$3,536,111	0.48%	\$4,602,618	0.64%
From Maine Turnpike Authority	\$4,149,610	0.80%	\$4,505,456	0.76%	\$4,826,180	0.70%	\$4,424,094	0.59%	\$4,688,539	0.65%
<b>Total - Special Revenue Funds Revenue</b>	<b>\$517,173,170</b>	<b>100.0%</b>	<b>\$591,861,317</b>	<b>100.0%</b>	<b>\$690,062,105</b>	<b>100.0%</b>	<b>\$744,029,822</b>	<b>100.0%</b>	<b>\$720,443,812</b>	<b>100.0%</b>

**Table OSR-2 Other Special Revenue Funds Expenditures by Departments & Major Programs - Fiscal Years 2003 - 2007**

Departments/Programs	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
<b>Administrative and Financial Services</b>										
Unorganized Territory & County Tax Reimbursement	\$7,796,827	1.51%	\$7,813,096	1.35%	\$8,487,472	1.24%	\$9,070,095	1.27%	\$9,727,052	1.33%
Other DAFS Programs	\$9,629,328	1.86%	\$6,453,664	1.12%	\$6,605,812	0.96%	\$5,588,622	0.78%	\$6,006,971	0.82%
<b>Administrative and Financial Services</b>	<b>\$17,426,155</b>	<b>3.37%</b>	<b>\$14,266,759</b>	<b>2.47%</b>	<b>\$15,093,285</b>	<b>2.20%</b>	<b>\$14,658,716</b>	<b>2.05%</b>	<b>\$15,734,024</b>	<b>2.14%</b>
<b>Agriculture, Food &amp; Rural Resources</b>										
Milk Commission	\$3,640,262	0.70%	\$6,103,821	1.06%	\$2,233,979	0.33%	\$6,021,750	0.84%	\$14,536,800	1.98%
Harness Racing Commission	\$4,231,866	0.82%	\$4,094,019	0.71%	\$3,996,576	0.58%	\$5,419,308	0.76%	\$10,377,143	1.41%
Other Agric., Food & Rural Res. Programs	\$3,893,994	0.75%	\$4,131,179	0.72%	\$4,445,727	0.65%	\$4,476,874	0.63%	\$3,880,204	0.53%
<b>Agriculture, Food &amp; Rural Resources</b>	<b>\$11,766,122</b>	<b>2.28%</b>	<b>\$14,329,019</b>	<b>2.48%</b>	<b>\$10,676,282</b>	<b>1.56%</b>	<b>\$15,917,932</b>	<b>2.23%</b>	<b>\$28,794,147</b>	<b>3.92%</b>
<b>Attorney General</b>	<b>\$5,864,634</b>	<b>1.13%</b>	<b>\$6,844,931</b>	<b>1.19%</b>	<b>\$7,353,296</b>	<b>1.07%</b>	<b>\$7,417,712</b>	<b>1.04%</b>	<b>\$7,431,598</b>	<b>1.01%</b>
<b>Conservation</b>	<b>\$11,215,112</b>	<b>2.17%</b>	<b>\$12,289,816</b>	<b>2.13%</b>	<b>\$12,132,761</b>	<b>1.77%</b>	<b>\$13,341,867</b>	<b>1.87%</b>	<b>\$15,469,188</b>	<b>2.11%</b>
<b>Defense, Veterans &amp; Emergency Management</b>	<b>\$1,444,063</b>	<b>0.28%</b>	<b>\$1,651,601</b>	<b>0.29%</b>	<b>\$1,718,882</b>	<b>0.25%</b>	<b>\$2,186,863</b>	<b>0.31%</b>	<b>\$1,408,028</b>	<b>0.19%</b>
<b>Dirigo Health</b>	\$0	0.00%	\$820,777	0.14%	\$16,053,809	2.34%	\$0	0.00%	\$0	0.00%
<b>Economic and Community Development</b>	<b>\$814,577</b>	<b>0.16%</b>	<b>\$7,957,693</b>	<b>1.38%</b>	<b>\$7,726,066</b>	<b>1.13%</b>	<b>\$8,207,958</b>	<b>1.15%</b>	<b>\$9,150,139</b>	<b>1.25%</b>
<b>Environmental Protection</b>										
Remediation and Waste Management	\$21,964,441	4.25%	\$23,464,511	4.07%	\$24,411,550	3.56%	\$21,940,982	3.07%	\$22,457,587	3.06%
Other DEP Programs	\$11,344,645	2.19%	\$11,691,083	2.03%	\$12,165,304	1.78%	\$11,552,550	1.62%	\$12,442,807	1.70%
<b>Environmental Protection</b>	<b>\$33,309,086</b>	<b>6.44%</b>	<b>\$35,155,593</b>	<b>6.10%</b>	<b>\$36,576,854</b>	<b>5.34%</b>	<b>\$33,493,532</b>	<b>4.69%</b>	<b>\$34,900,393</b>	<b>4.76%</b>
<b>Executive Department</b>	<b>\$2,765,688</b>	<b>0.53%</b>	<b>\$3,272,207</b>	<b>0.57%</b>	<b>\$3,292,430</b>	<b>0.48%</b>	<b>\$3,551,995</b>	<b>0.50%</b>	<b>\$3,257,816</b>	<b>0.44%</b>
<b>Health &amp; Human Services (formerly BDS) *</b>										
Riverview Psychiatric Center	\$17,879,063	3.46%	\$16,485,094	2.86%	\$17,913,861	2.61%	\$18,739,008	2.63%	\$20,265,054	2.76%
Dorothea Dix Psychiatric Center	\$16,506,034	3.19%	\$14,846,474	2.57%	\$13,668,202	1.99%	\$15,026,346	2.10%	\$15,457,001	2.11%
Mental Retardation Services	\$39,374	0.01%	\$5,753	0.00%	\$712,405	0.10%	\$10,206,559	1.43%	\$13,875,278	1.89%
Mental Health Services	\$900,617	0.17%	\$375,763	0.07%	\$1,246,433	0.18%	\$5,335,160	0.75%	\$9,398,106	1.28%
Other MHMRSAS Programs	\$8,065,266	1.56%	\$7,314,073	1.27%	\$8,453,389	1.23%	\$7,669,862	1.07%	\$8,319,441	1.13%
<b>Health &amp; Human Services (formerly BDS) *</b>	<b>\$43,390,353</b>	<b>8.39%</b>	<b>\$39,027,157</b>	<b>6.77%</b>	<b>\$41,994,290</b>	<b>6.13%</b>	<b>\$56,976,936</b>	<b>7.98%</b>	<b>\$67,314,879</b>	<b>9.17%</b>
<b>Health &amp; Human Services (formerly DHS) *</b>										
Medical Care - Payments to Providers	\$533,195	0.10%	\$16,383,319	2.84%	\$94,679,377	13.82%	\$109,184,675	15.29%	\$106,137,179	14.46%
Nursing Facilities	\$21,554,635	4.17%	\$29,506,198	5.12%	\$27,648,264	4.03%	\$31,422,029	4.40%	\$29,324,209	4.00%
AFDC/TANF	\$93,948,265	18.17%	\$103,607,005	17.96%	\$86,078,615	12.56%	\$89,474,227	12.53%	\$89,339,967	12.17%
Child Welfare/Foster Care	\$3,849,334	0.74%	\$4,246,787	0.74%	\$2,042,257	0.30%	\$2,554,584	0.36%	\$3,800,130	0.52%
Other Human Services Programs	\$56,367,501	10.90%	\$61,698,631	10.70%	\$61,476,145	8.97%	\$57,850,548	8.10%	\$67,845,014	9.24%
<b>Health &amp; Human Services (formerly DHS) *</b>	<b>\$176,252,930</b>	<b>34.09%</b>	<b>\$215,441,941</b>	<b>37.35%</b>	<b>\$271,924,659</b>	<b>39.68%</b>	<b>\$290,486,062</b>	<b>40.69%</b>	<b>\$296,446,499</b>	<b>40.39%</b>
<b>Inland Fisheries and Wildlife</b>	<b>\$3,315,861</b>	<b>0.64%</b>	<b>\$2,905,542</b>	<b>0.50%</b>	<b>\$3,655,647</b>	<b>0.53%</b>	<b>\$3,380,349</b>	<b>0.47%</b>	<b>\$3,736,626</b>	<b>0.51%</b>
<b>Judicial Department</b>	<b>\$2,704,907</b>	<b>0.52%</b>	<b>\$2,539,898</b>	<b>0.44%</b>	<b>\$2,275,698</b>	<b>0.33%</b>	<b>\$3,277,372</b>	<b>0.46%</b>	<b>\$3,263,087</b>	<b>0.44%</b>
<b>Labor</b>										
Safety Education and Training	\$1,518,779	0.29%	\$1,870,978	0.32%	\$1,801,104	0.26%	\$2,003,277	0.28%	\$2,238,398	0.30%
Other Labor Programs	\$1,690,515	0.33%	\$1,797,065	0.31%	\$2,017,647	0.29%	\$1,530,182	0.21%	\$1,734,730	0.24%
<b>Labor</b>	<b>\$3,209,294</b>	<b>0.62%</b>	<b>\$3,668,043</b>	<b>0.64%</b>	<b>\$3,818,751</b>	<b>0.56%</b>	<b>\$3,533,458</b>	<b>0.49%</b>	<b>\$3,973,128</b>	<b>0.54%</b>
<b>Marine Resources</b>										
Resource Management	\$1,743,261	0.34%	\$2,163,720	0.38%	\$1,610,174	0.23%	\$1,935,342	0.27%	\$2,338,591	0.32%
Marine Patrol	\$990,017	0.19%	\$1,106,941	0.19%	\$1,061,483	0.15%	\$1,193,817	0.17%	\$1,372,422	0.19%
Other Marine Resources Programs	\$502,786	0.10%	\$264,192	0.05%	\$585,491	0.09%	\$548,227	0.08%	\$649,900	0.09%
<b>Marine Resources</b>	<b>\$3,236,064</b>	<b>0.63%</b>	<b>\$3,534,854</b>	<b>0.61%</b>	<b>\$3,257,148</b>	<b>0.48%</b>	<b>\$3,677,386</b>	<b>0.52%</b>	<b>\$4,360,913</b>	<b>0.59%</b>
<b>Professional and Financial Regulation</b>										
Licensing and Enforcement	\$4,383,851	0.85%	\$4,880,201	0.85%	\$5,047,977	0.74%	\$5,110,395	0.72%	\$5,242,088	0.71%
Bureau of Insurance	\$5,947,038	1.15%	\$6,820,460	1.18%	\$6,972,719	1.02%	\$6,452,090	0.90%	\$7,337,854	1.00%
Bureau of Financial Institutions	\$1,564,120	0.30%	\$1,673,000	0.29%	\$1,672,587	0.24%	\$1,877,909	0.26%	\$1,934,066	0.26%
Other DPFPR Programs	\$6,405,208	1.24%	\$7,352,221	1.27%	\$7,264,342	1.06%	\$7,647,106	1.07%	\$8,077,015	1.10%
<b>Professional and Financial Regulation</b>	<b>\$18,300,218</b>	<b>3.54%</b>	<b>\$20,725,882</b>	<b>3.59%</b>	<b>\$20,957,625</b>	<b>3.06%</b>	<b>\$21,087,501</b>	<b>2.95%</b>	<b>\$22,591,023</b>	<b>3.08%</b>
<b>Public Safety</b>										
Turnpike Enforcement	\$4,142,508	0.80%	\$4,611,274	0.80%	\$4,255,684	0.62%	\$4,218,902	0.59%	\$4,730,786	0.64%
Office of Fire Marshall	\$2,973,928	0.58%	\$3,157,679	0.55%	\$3,225,441	0.47%	\$3,733,181	0.52%	\$3,787,183	0.52%
Public Safety - State Police	\$1,058,443	0.20%	\$1,417,473	0.25%	\$1,066,936	0.16%	\$1,082,749	0.15%	\$888,290	0.12%
Public Safety - Other Programs	\$11,042,944	2.14%	\$4,360,797	0.76%	\$2,956,528	0.43%	\$3,452,174	0.48%	\$3,807,255	0.52%
<b>Public Safety</b>	<b>\$19,217,823</b>	<b>3.72%</b>	<b>\$13,547,223</b>	<b>2.35%</b>	<b>\$11,504,589</b>	<b>1.68%</b>	<b>\$12,487,005</b>	<b>1.75%</b>	<b>\$13,213,513</b>	<b>1.80%</b>
<b>Secretary of State</b>	<b>\$1,077,679</b>	<b>0.21%</b>	<b>\$980,091</b>	<b>0.17%</b>	<b>\$1,119,551</b>	<b>0.16%</b>	<b>\$1,471,844</b>	<b>0.21%</b>	<b>\$2,009,308</b>	<b>0.27%</b>
<b>Transportation</b>										
Highway & Bridge Maint. & Improv.	\$11,390,887	2.20%	\$7,611,375	1.32%	\$36,531,413	5.33%	\$32,303,305	4.53%	\$11,064,412	1.51%
Other Transportation Programs	\$2,137,891	0.41%	\$847,548	0.15%	\$649,684	0.09%	\$2,381,495	0.33%	\$2,053,906	0.28%
<b>Transportation</b>	<b>\$13,528,778</b>	<b>2.62%</b>	<b>\$8,458,922</b>	<b>1.47%</b>	<b>\$37,181,096</b>	<b>5.43%</b>	<b>\$34,684,799</b>	<b>4.86%</b>	<b>\$13,118,318</b>	<b>1.79%</b>
<b>Treasurer of State</b>										
Municipal Revenue Sharing - Treasury	\$102,304,321	19.78%	\$110,658,989	19.19%	\$117,591,151	17.16%	\$121,380,164	17.00%	\$121,236,618	16.52%
Other Treasury Programs	\$28,174	0.01%	\$42,070	0.01%	\$20,263	0.00%	\$11,308	0.00%	\$0	0.00%
<b>Treasurer of State</b>	<b>\$102,332,495</b>	<b>19.79%</b>	<b>\$110,701,059</b>	<b>19.19%</b>	<b>\$117,611,414</b>	<b>17.16%</b>	<b>\$121,391,472</b>	<b>17.00%</b>	<b>\$121,236,618</b>	<b>16.52%</b>
<b>Workers' Compensation Board</b>	<b>\$8,339,743</b>	<b>1.61%</b>	<b>\$8,094,844</b>	<b>1.40%</b>	<b>\$8,327,837</b>	<b>1.22%</b>	<b>\$8,802,902</b>	<b>1.23%</b>	<b>\$8,970,257</b>	<b>1.22%</b>
<b>All Other - State Agencies</b>	<b>\$37,584,762</b>	<b>7.27%</b>	<b>\$50,544,113</b>	<b>8.76%</b>	<b>\$51,020,882</b>	<b>7.45%</b>	<b>\$53,827,023</b>	<b>7.54%</b>	<b>\$57,561,232</b>	<b>7.84%</b>
<b>Total - Other Spec. Rev. Funds Expenditures</b>	<b>\$517,096,343</b>	<b>100.0%</b>	<b>\$576,757,967</b>	<b>100.0%</b>	<b>\$685,272,852</b>	<b>100.0%</b>	<b>\$713,860,686</b>	<b>100.0%</b>	<b>\$733,940,734</b>	<b>100.0%</b>

\* The Department of Mental Health, Mental Retardation and Substance Abuse Services was renamed to the Department of Behavioral and Developmental Services (PL 2001, c. 354) and was then merged with the Department of Human Services (PL 2003, c. 689). Beginning in fiscal year 2008, programs and accounts of these departments will be merged into new programs and accounts of the Department of Health and Human Services. In transition, the departments' budgets will be designated with parenthetical designation of (formerly BDS) and (formerly DHS) to provide a distinction until the new program structure for the merged department is created.

**Table OSR-3 OTHER SPECIAL REVENUE FUNDS**  
**Fiscal Years 2003 - 2007**  
**Expenditures**

**Expenditures - By Expenditure Category**

Expenditure Category	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Personal Services										
Salaries and Wages	\$73,291,534	14.2%	\$80,298,554	13.9%	\$76,768,963	11.2%	\$76,350,892	10.7%	\$77,513,638	10.6%
Retirement Costs	\$17,009,782	3.3%	\$18,518,665	3.2%	\$20,305,199	3.0%	\$22,175,791	3.1%	\$23,020,787	3.1%
Health Insurance	\$12,422,198	2.4%	\$11,479,317	2.0%	\$15,542,839	2.3%	\$15,070,834	2.1%	\$14,829,282	2.0%
Other Fringe Benefits	\$3,466,690	0.7%	\$3,912,002	0.7%	\$3,756,627	0.5%	\$4,009,127	0.6%	\$4,009,366	0.5%
Unemployment Reimbursements	\$80,423	0.0%	\$101,265	0.0%	\$134,086	0.0%	\$104,860	0.0%	\$129,652	0.0%
Personal Services - Subtotal	\$106,270,627	20.6%	\$114,309,802	19.8%	\$116,507,715	17.0%	\$117,711,505	16.5%	\$119,502,724	16.3%
All Other										
Professional Services	\$51,656,986	10.0%	\$55,759,610	9.7%	\$60,288,301	8.8%	\$60,261,752	8.4%	\$70,198,395	9.6%
Travel Expenses	\$1,177,400	0.2%	\$1,337,738	0.2%	\$1,412,206	0.2%	\$1,503,766	0.2%	\$1,567,585	0.2%
Miscellaneous Operating Expenses	\$18,018,815	3.5%	\$24,927,102	4.3%	\$28,301,389	4.1%	\$19,266,687	2.7%	\$24,222,708	3.3%
Commodities	\$15,169,895	2.9%	\$13,453,382	2.3%	\$14,052,099	2.1%	\$14,827,561	2.1%	\$19,375,908	2.6%
Grants, Subsidies and Pensions										
To Other Governments	\$114,727,107	22.2%	\$123,426,616	21.4%	\$129,749,854	18.9%	\$136,057,555	19.1%	\$137,052,819	18.7%
To Pub. and Priv. Orgs.	\$47,309,736	9.1%	\$50,577,763	8.8%	\$48,061,118	7.0%	\$63,892,755	9.0%	\$78,779,893	10.7%
To Individuals	\$143,227,188	27.7%	\$177,702,985	30.8%	\$248,283,717	36.2%	\$263,967,481	37.0%	\$266,631,178	36.3%
Debt Service										
Principal	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Interest	\$0	0.0%	\$0	0.0%	\$1	0.0%	\$0	0.0%	\$0	0.0%
Contrib. and Trans. to Other Funds	\$3,756,536	0.7%	\$3,816,796	0.7%	\$4,554,580	0.7%	\$4,704,623	0.7%	\$5,150,568	0.7%
All Other - Subtotal	\$395,043,663	76.4%	\$451,001,992	78.2%	\$534,703,266	78.0%	\$564,482,179	79.1%	\$602,979,054	82.2%
Capital Expenditures	\$15,782,054	3.1%	\$11,446,172	2.0%	\$34,061,871	5.0%	\$31,667,002	4.4%	\$11,458,955	1.6%
<b>Total Expenditures</b>	<b>\$517,096,343</b>	<b>100.0%</b>	<b>\$576,757,967</b>	<b>100.0%</b>	<b>\$685,272,852</b>	<b>100.0%</b>	<b>\$713,860,686</b>	<b>100.0%</b>	<b>\$733,940,734</b>	<b>100.0%</b>



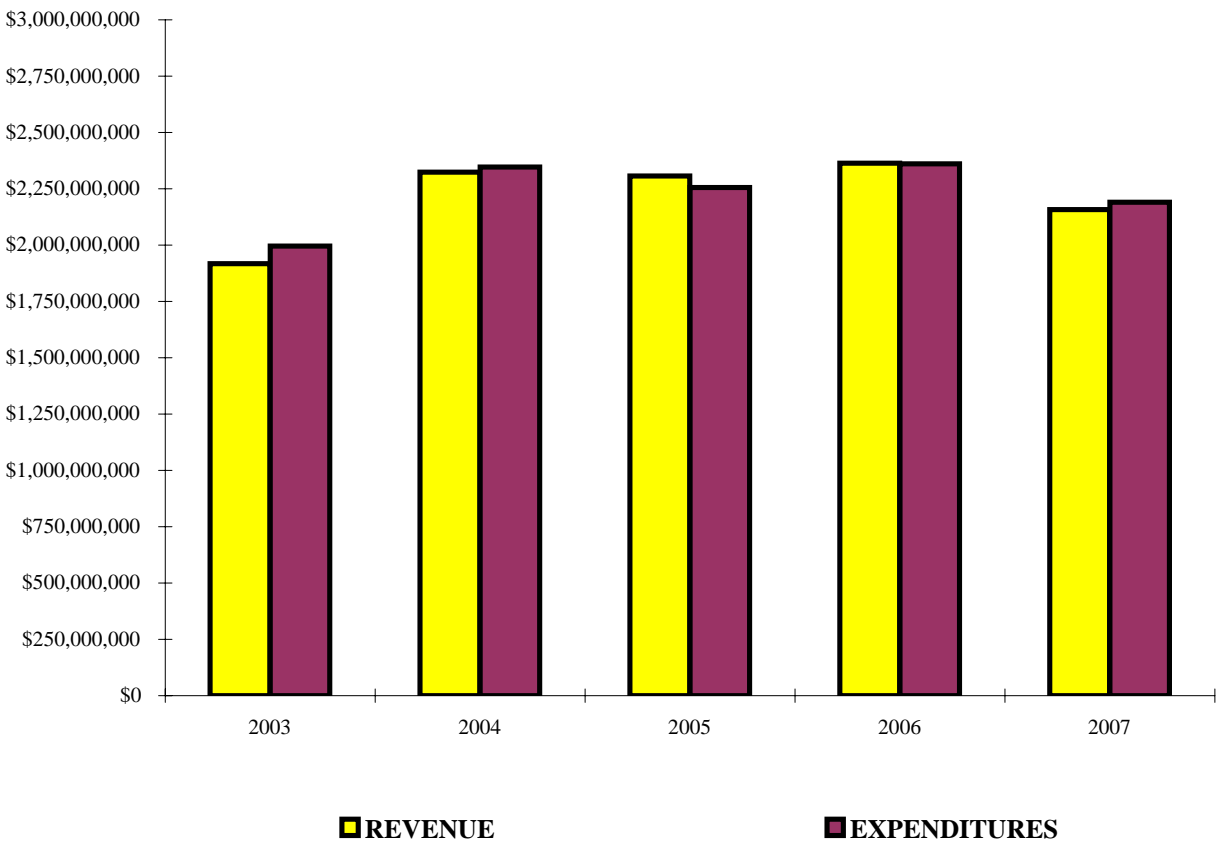
**Table OSR-4 Fund for a Healthy Maine (FHM) Revenue  
Fiscal Years 2003 - 2007**

REVENUE SOURCES	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
<b>Tobacco Settlement Payments:</b>										
Initial Payments	\$16,458,172	29.1%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Base Payments	\$39,348,861	69.7%	\$48,952,964	99.9%	\$49,033,349	99.8%	\$45,011,759	96.0%	\$47,113,687	92.5%
IRS Tax Withhold Released	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Prior Period Adjustments	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Attorney General Reimbursement	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
<b>Tobacco Settlement Payments - Subtotal</b>	<b>\$55,807,033</b>	<b>98.8%</b>	<b>\$48,952,964</b>	<b>99.9%</b>	<b>\$49,033,349</b>	<b>99.8%</b>	<b>\$45,011,759</b>	<b>96.0%</b>	<b>\$47,113,687</b>	<b>92.5%</b>
<b>Racino Revenue</b>	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$1,771,173	3.8%	\$3,538,805	6.9%
<b>Interest Earnings</b>	\$681,756	1.2%	\$54,830	0.1%	\$91,444	0.2%	\$124,780	0.3%	\$297,803	0.6%
<b>Other Sources</b>	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$39	0.0%	\$217	0.0%
<b>Total - All FHM Revenue</b>	<b>\$56,488,789</b>	<b>100.0%</b>	<b>\$49,007,794</b>	<b>100.0%</b>	<b>\$49,124,793</b>	<b>100.0%</b>	<b>\$46,907,751</b>	<b>100.0%</b>	<b>\$50,950,512</b>	<b>100.0%</b>

**Table OSR-5 Fund for a Healthy Maine (FHM) Expenditures and Uses  
Fiscal Years 2003 - 2007**

EXPENDITURES/USES	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
<b>Expenditures</b>										
Smoking Cessation and Prevention	\$13,749,918	15.3%	\$14,560,846	25.7%	\$14,059,818	28.6%	\$14,316,384	32.2%	\$14,444,012	26.3%
Child Care and Child Development	\$6,857,118	7.6%	\$10,120,241	17.9%	\$10,423,452	21.2%	\$10,558,401	23.8%	\$10,824,441	19.7%
Medicaid Initiatives	\$7,496,617	8.3%	\$7,170,274	12.6%	\$89,350	0.2%	\$42,175	0.1%	\$66,206	0.1%
Prescription Drugs	\$10,000,000	11.1%	\$10,410,000	18.4%	\$17,079,061	34.7%	\$14,312,479	32.2%	\$19,309,117	35.1%
Other Health Initiatives	\$2,068,543	2.3%	\$1,832,946	3.2%	\$1,814,249	3.7%	\$1,795,196	4.0%	\$1,831,290	3.3%
Substance Abuse	\$6,614,566	7.3%	\$5,801,643	10.2%	\$5,658,262	11.5%	\$5,234,298	11.8%	\$5,822,866	10.6%
Attorney General	\$49,953	0.1%	\$56,998	0.1%	\$56,552	0.1%	\$64,829	0.1%	\$69,289	0.1%
<b>Subtotal FHM Expenditures</b>	<b>\$46,836,714</b>	<b>52.0%</b>	<b>\$49,952,948</b>	<b>88.1%</b>	<b>\$49,180,744</b>	<b>99.9%</b>	<b>\$46,323,762</b>	<b>104.3%</b>	<b>\$52,367,222</b>	<b>95.3%</b>
<b>Other Uses</b>										
Transfers to (from) General Fund	\$43,244,794	48.0%	\$6,736,628	11.9%	\$55,218	0.1%	(\$1,895,717)	-4.3%	\$2,571,648	4.7%
<b>Subtotal Other Uses</b>	<b>\$43,244,794</b>	<b>48.0%</b>	<b>\$6,736,628</b>	<b>11.9%</b>	<b>\$55,218</b>	<b>0.1%</b>	<b>(\$1,895,717)</b>	<b>-4.3%</b>	<b>\$2,571,648</b>	<b>4.7%</b>
<b>Total - All Uses</b>	<b>\$90,081,508</b>	<b>100.0%</b>	<b>\$56,689,576</b>	<b>100.0%</b>	<b>\$49,235,962</b>	<b>100.0%</b>	<b>\$44,428,045</b>	<b>100.0%</b>	<b>\$54,938,870</b>	<b>100.0%</b>

**Graph FED-1 FEDERAL FUNDS  
Revenue and Expenditures  
Fiscal Years 2003 - 2007**



	2003	2004	2005	2006	2007
<b>REVENUE</b>	<b>\$1,917,866,169</b>	<b>\$2,323,342,429</b>	<b>\$2,307,285,240</b>	<b>\$2,363,849,321</b>	<b>\$2,157,313,818</b>
<b>Annual % Change</b>	<b>13.3%</b>	<b>21.1%</b>	<b>-0.7%</b>	<b>2.5%</b>	<b>-8.7%</b>
<b>EXPENDITURES</b>	<b>\$1,995,895,366</b>	<b>\$2,346,157,073</b>	<b>\$2,256,197,990</b>	<b>\$2,360,956,923</b>	<b>\$2,189,941,949</b>
<b>Annual % Change</b>	<b>18.4%</b>	<b>17.5%</b>	<b>-3.8%</b>	<b>4.6%</b>	<b>-7.2%</b>

**Table FED-1 Federal Funds - Revenue - Fiscal Years 2003 - 2007  
Federal Expenditures Fund (013) and Federal Block Grant Funds (015)**

REVENUE SOURCE	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Misc. Taxes, Fees & Assessments	\$3,244	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$4,494	0.00%
From Federal Government	\$1,909,945,381	99.59%	\$2,310,578,839	99.45%	\$2,297,239,267	99.56%	\$2,353,186,448	99.55%	\$2,149,689,576	99.65%
From Local Governments	\$198,905	0.01%	\$160,500	0.01%	\$245,654	0.01%	\$391,897	0.02%	\$439,082	0.02%
From Private Sources	\$2,498,177	0.13%	\$5,472,294	0.24%	\$4,329,775	0.19%	\$5,242,267	0.22%	\$4,239,368	0.20%
Service Charges for Current Services	\$4,672,674	0.24%	\$6,565,008	0.28%	\$5,111,891	0.22%	\$4,104,944	0.17%	\$1,952,994	0.09%
Contributions & Transfers from Other Funds	(\$78,543)	0.00%	\$6,508	0.00%	\$11,748	0.00%	\$222,550	0.01%	\$208,918	0.01%
Sales & Comp. for Loss of Property	\$4,255	0.00%	\$20,529	0.00%	\$12,267	0.00%	\$27,191	0.00%	\$7,062	0.00%
Fines, Forfeits & Penalties	\$48,788	0.00%	\$202,506	0.01%	\$66,261	0.00%	\$11,024	0.00%	\$30,522	0.00%
Earnings on Investments	\$573,289	0.03%	\$336,245	0.01%	\$268,375	0.01%	\$662,999	0.03%	\$741,801	0.03%
<b>Total - Federal Funds Revenue</b>	<b>\$1,917,866,169</b>	<b>100.0%</b>	<b>\$2,323,342,429</b>	<b>100.0%</b>	<b>\$2,307,285,240</b>	<b>100.0%</b>	<b>\$2,363,849,321</b>	<b>100.0%</b>	<b>\$2,157,313,818</b>	<b>100.0%</b>

**Table FED-2 Federal Funds Expenditures by Departments & Major Programs - Fiscal Years 2003 - 2007**

Departments/Programs	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
<sup>2</sup> <b>Administrative and Financial Services</b>	\$53,639	0.00%	\$202,207	0.01%	\$120,678	0.01%	\$427,617	0.02%	\$443,288	0.02%
<b>Agriculture, Food &amp; Rural Resources</b>	\$3,114,806	0.16%	\$4,101,242	0.17%	\$2,983,021	0.13%	\$2,997,910	0.13%	\$3,645,293	0.17%
<b>Attorney General</b>	\$3,432,050	0.17%	\$3,601,203	0.15%	\$3,787,659	0.17%	\$4,147,637	0.18%	\$4,306,041	0.20%
<b>Conservation</b>										
Land Management and Planning	\$3,755,387	0.19%	\$21,633,058	0.92%	\$1,522,000	0.07%	\$6,916,000	0.29%	\$6,434,000	0.29%
Other Dept. of Conservation Programs	\$5,564,381	0.28%	\$3,418,418	0.15%	\$4,008,420	0.18%	\$3,710,848	0.16%	\$3,890,336	0.18%
<b>Conservation</b>	\$9,319,768	0.47%	\$25,051,476	1.07%	\$5,530,420	0.25%	\$10,626,848	0.45%	\$10,324,336	0.47%
<b>Corrections</b>										
Administration and Planning	\$3,690,019	0.18%	\$2,459,283	0.10%	\$2,879,708	0.13%	\$2,816,540	0.12%	\$2,781,185	0.13%
Adult and Juvenile Facilities	\$298,346	0.01%	\$371,488	0.02%	\$450,500	0.02%	\$380,324	0.02%	\$330,019	0.02%
Other Corrections Programs	\$1,546,852	0.08%	\$390,558	0.02%	\$424,101	0.02%	\$254,540	0.01%	\$227,556	0.01%
<b>Corrections</b>	\$5,535,217	0.28%	\$3,221,329	0.14%	\$3,754,308	0.17%	\$3,451,403	0.15%	\$3,338,759	0.15%
<b>Cultural Agencies</b>	\$2,268,947	0.11%	\$2,504,420	0.11%	\$2,407,160	0.11%	\$2,487,645	0.11%	\$2,793,896	0.13%
<b>Defense, Veterans &amp; Emergency Management</b>										
Military Training and Operations	\$14,912,271	0.75%	\$10,695,464	0.46%	\$12,038,396	0.53%	\$14,511,386	0.61%	\$13,137,860	0.60%
Administration - MEMA	\$6,164,370	0.31%	\$13,967,716	0.60%	\$22,605,998	1.00%	\$31,886,843	1.35%	\$19,283,896	0.88%
Loring Rebuild Facility	\$12,967,866	0.65%	\$25,349,971	1.08%	\$43,550,625	1.93%	\$53,802,044	2.28%	\$38,368,829	1.75%
Other DVEM Programs	\$2,600,245	0.13%	\$302,425	0.01%	\$251,560	0.01%	\$138,748	0.01%	\$239,855	0.01%
<b>Defense, Veterans &amp; Emergency Management</b>	\$36,644,751	1.84%	\$50,315,577	2.14%	\$78,446,579	3.48%	\$100,339,021	4.25%	\$71,030,439	3.24%
<b>Economic and Community Development</b>										
Community Development Block Grant	\$16,849,368	0.84%	\$14,434,286	0.62%	\$18,671,642	0.83%	\$18,354,672	0.78%	\$18,169,073	0.83%
Other Econ. and Comm. Devel. Programs	\$630,064	0.03%	\$544,106	0.02%	\$390,918	0.02%	\$812,495	0.03%	\$5,080,000	0.23%
<b>Economic and Community Development</b>	\$17,479,432	0.88%	\$14,978,392	0.64%	\$19,062,560	0.84%	\$19,167,167	0.81%	\$23,249,073	1.06%
<b>Education</b>										
Learning Systems	\$92,375,448	4.63%	\$107,515,225	4.58%	\$113,479,958	5.03%	\$119,912,264	5.08%	\$119,675,359	5.46%
Support Systems	\$26,314,518	1.32%	\$31,056,849	1.32%	\$27,930,459	1.24%	\$29,911,270	1.27%	\$31,487,915	1.44%
Regional Services	\$14,184,091	0.71%	\$14,774,957	0.63%	\$18,862,150	0.84%	\$17,725,788	0.75%	\$20,968,293	0.96%
<sup>2</sup> Other Department of Education Programs	\$37,498,634	1.88%	\$39,598,482	1.69%	\$15,870,653	0.70%	\$14,824,893	0.63%	\$12,859,826	0.59%
<b>Education</b>	\$170,372,692	8.54%	\$192,945,513	8.22%	\$176,143,219	7.81%	\$182,374,214	7.72%	\$184,991,392	8.45%
<b>Environmental Protection</b>										
Performance Partnership Grant	\$6,647,457	0.33%	\$7,211,933	0.31%	\$7,187,703	0.32%	\$7,510,081	0.32%	\$7,022,725	0.32%
Other Environmental Protection Programs	\$2,854,035	0.14%	\$3,287,873	0.14%	\$3,967,302	0.18%	\$3,381,439	0.14%	\$3,368,069	0.15%
<b>Environmental Protection</b>	\$9,501,493	0.48%	\$10,499,806	0.45%	\$11,155,005	0.49%	\$10,891,520	0.46%	\$10,390,793	0.47%
<sup>1</sup> <b>Health &amp; Human Services (formerly BDS)</b>										
Office of Substance Abuse	\$11,689,986	0.59%	\$12,749,514	0.54%	\$13,097,146	0.58%	\$13,059,187	0.55%	\$12,332,800	0.56%
Mental Health Services	\$9,173,733	0.46%	\$8,993,522	0.38%	\$9,348,223	0.41%	\$6,279,080	0.27%	\$8,704,426	0.40%
Other MHMR Programs	\$1,596,264	0.08%	\$1,741,373	0.07%	\$1,790,493	0.08%	\$1,028,076	0.04%	\$1,622,937	0.07%
<sup>1</sup> <b>Health &amp; Human Services (formerly BDS)</b>	\$22,459,983	1.13%	\$23,484,409	1.00%	\$24,235,862	1.07%	\$20,366,343	0.86%	\$22,660,162	1.03%
<sup>1</sup> <b>Health &amp; Human Services (formerly DHS)</b>										
Medical Care - Payments to Providers	\$909,388,914	45.56%	\$1,163,632,101	49.60%	\$1,154,786,046	51.18%	\$1,140,815,942	48.32%	\$1,062,644,712	48.52%
Nursing Facilities	\$229,780,662	11.51%	\$249,279,253	10.63%	\$187,556,449	8.31%	\$248,794,359	10.54%	\$230,920,228	10.54%
AFDC/TANF	\$52,204,530	2.62%	\$59,664,555	2.54%	\$64,512,123	2.86%	\$69,802,048	2.96%	\$56,465,076	2.58%
Child Welfare/Foster Care	\$31,640,325	1.59%	\$25,762,404	1.10%	\$24,643,588	1.09%	\$24,050,873	1.02%	\$23,150,109	1.06%
Public Health Programs	\$39,840,058	2.00%	\$45,613,790	1.94%	\$49,616,766	2.20%	\$53,250,607	2.26%	\$59,275,804	2.71%
Child and Social Services	\$59,544,433	2.98%	\$55,595,362	2.37%	\$59,890,781	2.65%	\$63,017,624	2.67%	\$53,087,140	2.42%
Other Human Services Programs	\$97,648,816	4.89%	\$98,769,227	4.21%	\$100,078,278	4.44%	\$99,041,279	4.19%	\$99,654,675	4.55%
<sup>1</sup> <b>Health &amp; Human Services (formerly DHS)</b>	\$1,420,047,739	71.15%	\$1,698,316,693	72.39%	\$1,641,084,032	72.74%	\$1,698,772,732	71.95%	\$1,585,197,745	72.39%
<b>Inland Fisheries and Wildlife</b>	\$5,570,586	0.28%	\$4,522,793	0.19%	\$4,526,849	0.25%	\$9,052,138	0.38%	\$6,069,168	0.28%
<b>Judicial Department</b>	\$2,653,510	0.13%	\$2,720,448	0.12%	\$3,205,397	0.14%	\$3,483,403	0.15%	\$3,009,411	0.14%
<b>Labor</b>										
Rehabilitation Services	\$16,386,409	0.82%	\$15,744,110	0.67%	\$14,479,265	0.64%	\$15,820,502	0.67%	\$17,153,465	0.78%
Employment Services Activities	\$27,483,125	1.38%	\$31,243,672	1.33%	\$25,655,845	1.14%	\$22,431,707	0.95%	\$21,560,535	0.98%
Employment Security Services	\$40,972,997	2.05%	\$37,823,822	1.61%	\$24,342,760	1.08%	\$19,870,704	0.84%	\$20,356,163	0.93%
Other Labor Programs	\$6,250,668	0.31%	\$7,124,884	0.30%	\$7,626,078	0.34%	\$7,957,078	0.34%	\$6,267,870	0.29%
<b>Labor</b>	\$91,093,199	4.56%	\$91,936,488	3.92%	\$72,103,947	3.20%	\$66,079,991	2.80%	\$65,338,033	2.98%
<b>Marine Resources</b>	\$4,554,810	0.23%	\$3,235,605	0.14%	\$3,493,714	0.15%	\$2,940,691	0.12%	\$5,251,425	0.24%
<b>Public Safety</b>										
Public Safety - State Police	\$2,597,500	0.13%	\$1,331,003	0.06%	\$2,510,159	0.11%	\$2,549,144	0.11%	\$3,637,167	0.17%
Public Safety - Other Programs	\$4,372,505	0.22%	\$4,649,703	0.20%	\$5,071,899	0.22%	\$5,227,137	0.22%	\$3,642,473	0.17%
<b>Public Safety</b>	\$6,970,005	0.35%	\$5,980,706	0.25%	\$7,582,058	0.34%	\$7,776,281	0.33%	\$7,279,639	0.33%
<b>Secretary of State</b>	\$32,074	0.00%	\$439,609	0.02%	\$1,342,728	0.06%	\$4,100,449	0.17%	\$3,544,672	0.16%
<b>Transportation</b>										
Highway & Bridge Maint. & Improv.	\$169,428,697	8.49%	\$191,757,507	8.17%	\$178,405,067	7.91%	\$191,272,082	8.10%	\$156,705,188	7.16%
Other Transportation Programs	\$10,619,030	0.53%	\$8,493,597	0.36%	\$8,989,910	0.40%	\$13,357,158	0.57%	\$12,747,656	0.58%
<b>Transportation</b>	\$180,047,728	9.02%	\$200,251,104	8.54%	\$187,394,977	8.31%	\$204,629,240	8.67%	\$169,452,844	7.74%
<b>All Other - State Agencies</b>	\$4,742,939	0.24%	\$7,848,053	0.33%	\$6,637,817	0.29%	\$6,844,673	0.29%	\$7,625,539	0.35%
<b>Total - Federal Funds Expenditures</b>	<b>\$1,995,895,366</b>	<b>100.0%</b>	<b>\$2,346,157,073</b>	<b>100.0%</b>	<b>\$2,256,197,990</b>	<b>100.0%</b>	<b>\$2,360,956,923</b>	<b>100.0%</b>	<b>\$2,189,941,949</b>	<b>100.0%</b>

<sup>1</sup> The Department of Mental Health, Mental Retardation and Substance Abuse Services was renamed to the Department of Behavioral and Developmental Services (PL 2001, c. 354) and was then merged with the Department of Human Services (PL 2003, c. 689). Beginning in fiscal year 2008, programs and accounts of these departments will be merged into new programs and accounts of the Department of Health and Human Services. In transition, the departments' budgets will be designated with parenthetical designation of (formerly BDS) and (formerly DHS) to provide a destination until the new program structure for the merged department is created.

<sup>2</sup> Total Expenditures reflect a negative \$25M adjustment to Administrative Financial Services programs and a positive \$25M adjustment to Other Department of Education Programs to reflect the shift of Expenditures to Federal Block Grant funds used to support General Purpose Aid for Local Schools as a result of the receipt of flexible federal grants in FY 2003 and FY 2004.

**Table FED-3 FEDERAL FUNDS**  
**Fiscal Years 2003 - 2007**  
**Expenditures**

**Expenditures - By Expenditure Category**

Expenditure Category	2003		2004		2005		2006		2007	
	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total	\$	% of Total
Personal Services										
Salaries and Wages	\$97,378,248	4.9%	\$100,623,073	4.3%	\$98,220,823	4.4%	\$97,601,503	4.1%	\$89,976,023	4.1%
Retirement Costs	\$20,864,766	1.0%	\$21,795,172	0.9%	\$25,179,631	1.1%	\$27,325,925	1.2%	\$27,012,541	1.2%
Health Insurance	\$18,309,082	0.9%	\$16,458,190	0.7%	\$21,717,133	1.0%	\$21,368,657	0.9%	\$20,144,082	0.9%
Other Fringe Benefits	\$4,054,326	0.2%	\$4,123,537	0.2%	\$4,237,311	0.2%	\$4,563,130	0.2%	\$4,411,359	0.2%
Unemployment Reimbursements	\$62,167	0.0%	\$91,658	0.0%	\$42,858	0.0%	\$74,847	0.0%	\$76,015	0.0%
Personal Services - Subtotal	\$140,668,589	7.0%	\$143,091,630	6.1%	\$149,397,757	6.6%	\$150,934,062	6.4%	\$141,620,020	6.5%
All Other										
Professional Services	\$56,873,255	2.8%	\$85,344,056	3.6%	\$101,993,545	4.5%	\$109,201,789	4.6%	\$103,578,117	4.7%
Travel Expenses	\$3,437,064	0.2%	\$3,791,984	0.2%	\$3,585,575	0.2%	\$3,727,394	0.2%	\$3,852,061	0.2%
Miscellaneous Operating Expenses	\$24,600,139	1.2%	\$21,893,831	0.9%	\$25,080,283	1.1%	\$23,222,914	1.0%	\$19,610,261	0.9%
Commodities	\$40,568,614	2.0%	\$33,882,485	1.4%	\$32,321,132	1.4%	\$35,228,574	1.5%	\$38,984,344	1.8%
Grants, Subsidies and Pensions										
To Other Governments	\$168,613,646	8.4%	\$193,364,553	8.2%	\$184,907,670	8.2%	\$206,079,875	8.7%	\$194,995,669	8.9%
To Pub. and Priv. Orgs.	\$129,069,370	6.5%	\$129,729,151	5.5%	\$133,547,364	5.9%	\$133,876,385	5.7%	\$128,448,203	5.9%
To Individuals	\$1,274,934,060	63.9%	\$1,556,706,847	66.4%	\$1,472,105,758	65.2%	\$1,518,439,759	64.3%	\$1,414,649,285	64.6%
Debt Service										
Principal	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$3,155,000	0.1%	\$3,915,000	0.2%
Interest	\$0	0.0%	\$0	0.0%	\$366,480	0.0%	\$1,711,781	0.1%	\$1,615,519	0.1%
Contrib. and Trans. to Other Funds	\$4,879,089	0.2%	\$4,601,200	0.2%	\$5,699,586	0.3%	\$6,346,203	0.3%	\$7,153,421	0.3%
All Other - Subtotal	\$1,702,975,236	85.3%	\$2,029,314,107	86.5%	\$1,959,607,394	86.9%	\$2,040,989,675	86.4%	\$1,916,801,880	87.5%
Capital Expenditures	\$152,251,541	7.6%	\$173,751,336	7.4%	\$147,192,839	6.5%	\$169,033,187	7.2%	\$131,520,050	6.0%
<b>Total Expenditures</b>	<b>\$1,995,895,366</b>	<b>100.0%</b>	<b>\$2,346,157,073</b>	<b>100.0%</b>	<b>\$2,256,197,990</b>	<b>100.0%</b>	<b>\$2,360,956,923</b>	<b>100.0%</b>	<b>\$2,189,941,949</b>	<b>100.0%</b>

## SECTION IV – SUMMARY OF BONDED DEBT

This section provides historical data regarding Maine’s general obligation debt and other tax-supported debt, including the debt of the Maine Governmental Facilities Authority.

A 25-year history of Maine’s general obligation bonds outstanding as of June 30 is provided in Table IV-1, GENERAL OBLIGATION BONDED DEBT. The outstanding bonds (for the fiscal years 1983 through 2007) are segregated into General Fund, Highway Fund and self-liquidating bonds. General obligation bonds are approved by the voters and pledge the full faith and credit of the state. The self-liquidating bonds 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. The self-liquidating bonds currently outstanding were issued for the Maine Veterans Home (see Public Service Enterprises). The historical data also includes the total of Authorized but Unissued Bonds as of June 30 of each year. Graph IV-1 presents a history of Maine’s bonded debt on a per capita basis and as a percentage of personal income. Per capita amounts are based on population numbers from the United States Department of Commerce, Bureau of Census and Maine’s State Planning Office. Personal income figures are from the United States Department of Commerce, Bureau of Economic Analysis.

Table IV-2, TAX SUPPORTED DEBT SERVICE COSTS, details the annual debt service costs for General Fund and Highway Fund bonds as well as for Maine Governmental Facilities Authority (formerly the Maine Court Facilities Authority) bonds and other debt instruments issued by the state such as certificates of participation and lease-purchase arrangements. Interest on bond anticipation notes is included but interest and principal on self-liquidating bonds are not included because they are funded from dedicated revenue streams that are not considered tax supported sources. A calculation of debt service as a percent of General Fund and Highway Fund revenue is included in the table. This percentage is consistent with the “5% rule” used to guide Maine’s debt policy.

An additional summary of the debt authorizations and issuances of the Maine Governmental Facilities Authority is included in Table IV-3 on Page 102.

In addition to the obligations described above, the state’s credit is pledged to guarantee certain loans. As of June 30, 2007 these pledges amounted to the following:

<b>PURPOSE OF GUARANTEE</b>	<b>CONSTITUTIONAL OR STATUTORY LIMITS <sup>(1)</sup></b>	<b>BONDS AUTHORIZED NOT ISSUED - CONTINGENT</b>
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 <sup>(2)</sup>	6,000,000	0
Indian Housing	1,000,000	1,000,000
	\$105,000,000	\$ 99,000,000

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

<sup>(2)</sup> 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 GENERAL OBLIGATION BONDED DEBT**  
**Status as of June 30**

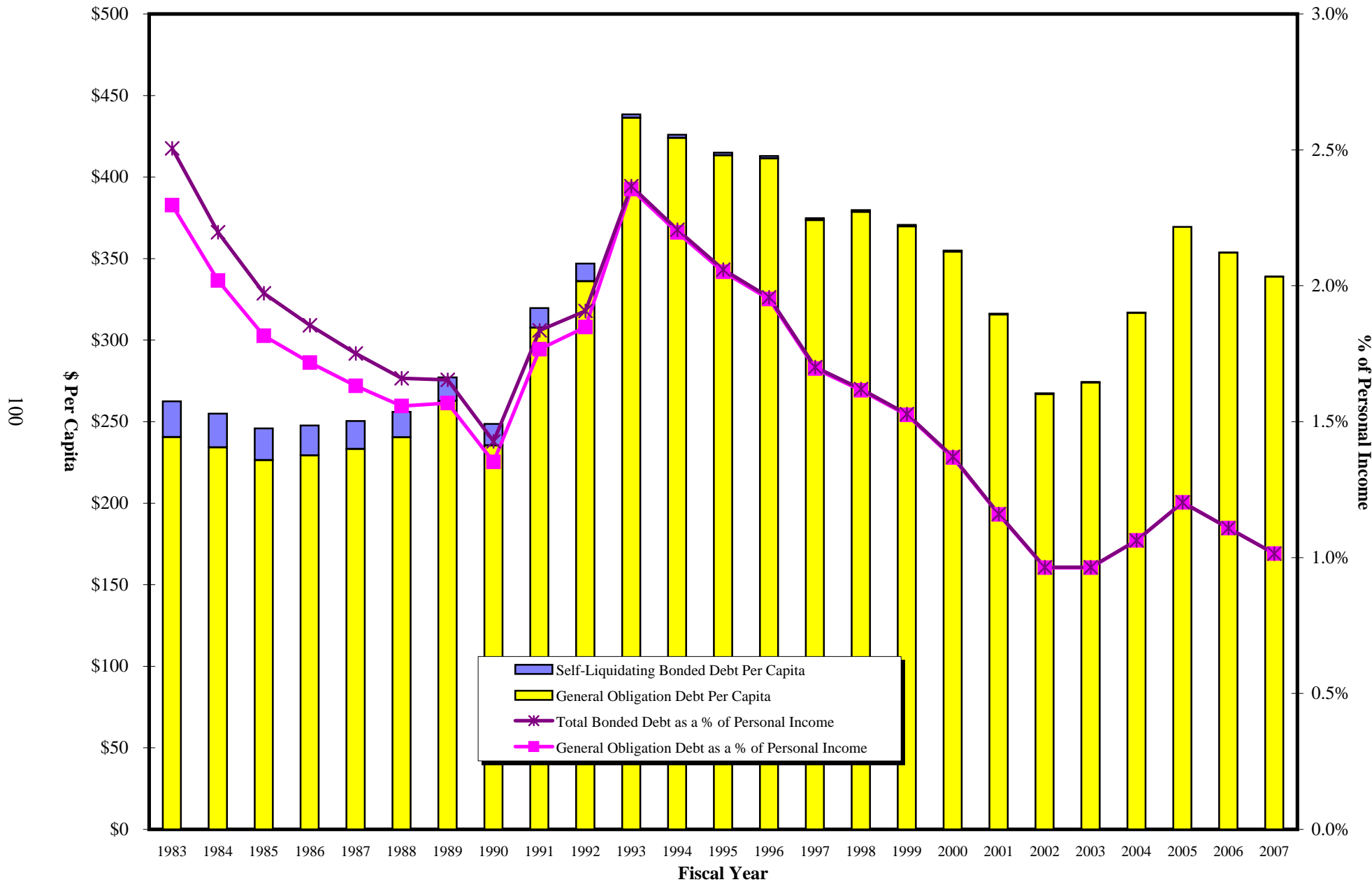
FISCAL YEAR	BOND PRINCIPAL ISSUED AND OUTSTANDING <sup>1</sup>							AUTHORIZED BUT UNISSUED <sup>2</sup>			TOTAL PRINCIPAL OUTSTANDING AND PRINCIPAL AUTHORIZED
	GENERAL FUND	HIGHWAY FUND	UNIVERSITY OF MAINE	PUBLIC SERVICES ENTERPRISES	STATE COLLEGES AND VOCATIONAL INSTITUTIONS	TOTAL SELF-LIQUIDATING BONDS	TOTAL GENERAL OBLIGATION BONDS	GENERAL FUND	HIGHWAY FUND	TOTAL BONDS AUTHORIZED BUT UNISSUED	
1983	185,097,000	90,260,000	11,655,000	2,200,000	11,240,000	25,095,000	<b>300,452,000</b>	109,600,915	0	<b>109,600,915</b>	<b>410,052,915</b>
1984	175,899,000	94,830,000	11,245,000	2,000,000	10,610,000	23,855,000	<b>294,584,000</b>	120,594,888	0	<b>120,594,888</b>	<b>415,178,888</b>
1985	170,084,000	93,185,000	10,805,000	1,890,000	9,970,000	22,665,000	<b>285,934,000</b>	154,134,000	0	<b>154,134,000</b>	<b>440,068,000</b>
1986	177,110,000	91,240,000	10,360,000	1,800,000	9,320,000	21,480,000	<b>289,830,000</b>	152,337,000	19,000,000	<b>171,337,000</b>	<b>461,167,000</b>
1987	183,990,000	92,365,000	9,895,000	1,710,000	8,615,000	20,220,000	<b>296,575,000</b>	173,360,813	9,000,000	<b>182,360,813</b>	<b>478,935,813</b>
1988	201,160,000	88,170,000	9,420,000	1,620,000	7,905,000	18,945,000	<b>308,275,000</b>	199,855,396	29,500,000	<b>229,355,396</b>	<b>537,630,396</b>
1989	221,645,000	98,850,000	8,930,000	1,530,000	7,145,000	17,605,000	<b>338,100,000</b>	225,372,000	9,500,000	<b>234,872,000</b>	<b>572,972,000</b>
1990	202,405,000	87,610,000	8,435,000	1,440,000	6,385,000	16,260,000	<b>306,275,000</b>	296,441,265	26,500,000	<b>322,941,265</b>	<b>629,216,265</b>
1991	277,710,000	102,870,000	7,910,000	1,350,000	5,580,000	14,840,000	<b>395,420,000</b>	104,205,600	4,000,000	<b>108,205,600</b>	<b>503,625,600</b>
1992	308,890,000	107,395,000	7,380,000	1,260,000	4,755,000	13,395,000	<b>429,680,000</b>	122,725,600	39,000,000	<b>161,725,600</b>	<b>591,405,600</b>
1993	405,822,000	136,320,000	0	1,170,000	1,393,000	2,563,000	<b>544,705,000</b>	34,295,600	0	<b>34,295,600</b>	<b>579,000,600</b>
1994	383,618,000	143,355,000	0	1,080,000	1,232,000	2,312,000	<b>529,285,000</b>	30,150,000	17,000,000	<b>47,150,000</b>	<b>576,435,000</b>
1995	377,055,000	136,950,000	0	990,000	1,065,000	2,055,000	<b>516,060,000</b>	36,800,600	0	<b>36,800,600</b>	<b>552,860,600</b>
1996	369,458,000	144,440,000	0	900,000	892,000	1,792,000	<b>515,690,000</b>	44,255,316	11,400,000	<b>55,655,316</b>	<b>571,345,316</b>
1997	339,621,000	129,060,000	0	810,000	720,000	1,530,000	<b>470,211,000</b>	47,055,316	6,400,000	<b>53,455,316</b>	<b>523,666,316</b>
1998	337,575,000	139,180,000	0	720,000	570,000	1,290,000	<b>478,045,000</b>	73,890,316	16,900,000	<b>90,790,316</b>	<b>568,835,316</b>
1999	334,725,000	133,700,000	0	630,000	485,000	1,115,000	<b>469,540,000</b>	46,505,316	0	<b>46,505,316</b>	<b>516,045,316</b>
2000	341,205,000	111,230,000	0	540,000	400,000	940,000	<b>453,375,000</b>	115,351,316	19,226,031	<b>134,577,347</b>	<b>587,952,347</b>
2001	297,405,000	108,635,000	0	450,000	315,000	765,000	<b>406,805,000</b>	93,301,316	1,031	<b>93,302,347</b>	<b>500,107,347</b>
2002	260,790,000	85,335,000	0	370,000	230,000	600,000	<b>346,725,000</b>	275,861,000	1,031	<b>275,862,031</b>	<b>622,587,031</b>
2003	293,990,000	64,120,000	0	300,000	145,000	445,000	<b>358,555,000</b>	262,881,000	1,031	<b>262,882,031</b>	<b>621,437,031</b>
2004	355,025,000	61,105,000	0	230,000	60,000	290,000	<b>416,420,000</b>	220,401,000	1,031	<b>220,402,031</b>	<b>636,822,031</b>
2005	439,110,000	47,825,000	0	160,000	0	160,000	<b>487,095,000</b>	71,545,000	0	<b>71,545,000</b>	<b>558,640,000</b>
2006	433,585,000	33,875,000	0	90,000	0	90,000	<b>467,550,000</b>	70,138,101	27,000,000	<b>97,138,101</b>	<b>564,688,101</b>
2007	398,280,000	50,460,000	0	20,000	0	20,000	<b>448,760,000</b>	66,265,571	100,000,000	<b>166,265,571</b>	<b>615,025,571</b>

Notes:

<sup>1</sup> Reflects the principal amount of bonds issued and outstanding as of June 30 of each fiscal year.

<sup>2</sup> Reflects bonds that are authorized by the voters, but are unissued as of the close of the fiscal year. Includes any bond authorizations voted on by the voters in June of each year.

# Graph IV-1 General Obligation Bonded Debt Per Capita and Percent of Personal Income





**TABLE IV-2 TAX SUPPORTED DEBT SERVICE COSTS**

FISCAL YEAR	General Obligation Bonds <sup>1</sup>			Maine Governmental Facilities Authority (MGFA) Debt			Miscellaneous Other Tax Supported Debt <sup>2</sup>			TOTAL TAX SUPPORTED DEBT SERVICE COSTS	% OF GENERAL FUND AND HIGHWAY FUND REVENUE
	TOTAL BONDS RETIRED	TOTAL INTEREST PAID	TOTAL GENERAL OBLIGATION DEBT SERVICE	TOTAL BONDS RETIRED	TOTAL INTEREST PAID	TOTAL MGFA DEBT SERVICE	TOTAL PRINCIPAL RETIRED	TOTAL INTEREST PAID	TOTAL MISC DEBT SERVICE		
1983	26,250,071	17,591,254	43,841,325	0	0	0	N/A	N/A	N/A	43,841,325	5.60%
1984	31,182,469	18,852,146	50,034,615	0	0	0	N/A	N/A	N/A	50,034,615	5.47%
1985	31,505,402	19,042,139	50,547,541	0	0	0	N/A	N/A	N/A	50,547,541	5.08%
1986	34,653,813	19,455,577	54,109,390	0	0	0	N/A	N/A	N/A	54,109,390	4.95%
1987	34,985,000	20,604,757	55,589,757	0	0	0	N/A	N/A	N/A	55,589,757	4.38%
1988	37,295,000	20,899,161	58,194,161	0	0	0	N/A	N/A	N/A	58,194,161	3.99%
1989	40,615,000	21,849,613	62,464,613	0	0	0	N/A	N/A	N/A	62,464,613	3.85%
1990	47,980,000	22,353,812	70,333,812	20,000	598,640	618,640	N/A	N/A	N/A	70,952,452	4.51%
1991	45,560,000	19,360,524	64,920,524	175,000	443,205	618,205	N/A	N/A	N/A	65,538,729	4.03%
1992	45,710,000	25,537,077	71,247,077	420,000	1,276,731	1,696,731	1,630,000	1,306,563	2,936,563	75,880,372	4.44%
1993	46,190,000	29,424,908	75,614,908	430,000	982,878	1,412,878	1,855,000	913,138	2,768,138	79,795,924	4.51%
1994	61,963,680	31,584,599	93,548,279	455,000	856,050	1,311,050	2,135,000	794,875	2,929,875	97,789,204	5.33%
1995	74,317,610	30,465,440	104,783,050	90,000	740,930	830,930	1,810,000	678,370	2,488,370	108,102,350	5.72%
1996	76,807,345	26,944,639	103,751,984	765,000	726,542	1,491,542	1,828,571	570,560	2,399,131	107,642,657	5.33%
1997	87,917,345	27,619,969	115,537,314	795,000	854,072	1,649,072	1,994,734	504,137	2,498,871	119,685,257	5.74%
1998	76,425,600	25,812,652	102,238,252	1,020,000	974,676	1,994,676	1,810,838	442,409	2,253,247	106,486,175	4.56%
1999	79,615,000	25,512,957	105,127,957	1,060,000	1,152,650	2,212,650	2,106,610	475,136	2,581,746	109,922,353	4.39%
2000	82,280,000	24,543,458	106,823,458	1,100,000	4,097,984	5,197,984	2,140,140	341,615	2,481,755	114,503,196	4.31%
2001	87,670,000	23,814,726	111,484,726	3,235,000	7,919,123	11,154,123	2,170,702	204,597	2,375,299	125,014,149	4.69%
2002	87,525,000	20,973,370	108,498,370	4,290,000	9,518,238	13,808,238	460,490	121,551	582,041	122,888,649	4.70%
2003	85,095,000	18,381,501	103,476,501	6,240,000	9,999,101	16,239,101	487,801	192,585	680,386	120,395,988	4.49%
2004	72,255,000	16,886,408	89,141,408	11,850,000	9,937,831	21,787,831	2,216,750	461,691	2,678,441	113,607,680	3.79%
2005	66,720,000	17,982,112	84,702,112	11,045,000	7,750,981	18,795,981	6,495,763	849,988	7,345,750	110,843,844	3.56%
2006	71,865,000	18,341,570	90,206,570	12,245,000	8,631,717	20,876,717	10,972,569	814,987	11,787,556	122,870,843	3.77%
2007	79,695,000	20,852,772	100,547,772	14,595,002	8,166,736	22,761,738	13,514,839	1,248,122	14,762,961	138,072,471	4.12%

Notes:

<sup>1</sup> Includes General Fund Bonds, Highway Fund Bonds and Bond Anticipation Notes. Excludes Self-Liquidating Bonds and Tax Anticipation Notes.

<sup>2</sup> Data for miscellaneous other tax supported debt is not currently available prior to fiscal year 1992.

**TABLE IV-3 MAINE GOVERNMENTAL FACILITIES AUTHORITY  
SUMMARY OF DEBT  
(4 M.R.S.A. Chapter 33)**

Fiscal Year	Outstanding Debt on June 30	Interest Paid <sup>12</sup>	Total Bonds Retired	Total Bonds Issued	Net Change in Debt Outstanding
1990	\$6,470,000	\$598,640	\$20,000	\$0 <sup>1</sup>	(\$20,000)
1991	\$14,795,000	\$443,205	\$175,000	\$8,500,000	\$8,325,000
1992	\$14,375,000	\$1,276,731	\$420,000	\$0	(\$420,000)
1993	\$13,945,000	\$982,878	\$430,000	\$0	(\$430,000)
1994	\$16,255,000	\$856,050	\$455,000 <sup>2</sup>	\$2,765,000 <sup>2</sup>	\$2,310,000
1995	\$16,165,000	\$740,930	\$90,000	\$0	(\$90,000)
1996	\$15,400,000	\$726,542	\$765,000	\$0	(\$765,000)
1997	\$20,595,000	\$854,072	\$795,000	\$5,990,000	\$5,195,000
1998	\$19,575,000	\$974,676	\$1,020,000	\$0	(\$1,020,000)
1999	\$18,515,000	\$1,152,650	\$1,060,000	\$0 <sup>3</sup>	(\$1,060,000)
2000	\$104,360,000	\$4,097,984	\$1,100,000	\$86,945,000 <sup>4</sup>	\$85,845,000
2001	\$159,975,000	\$7,919,123	\$3,235,000	\$58,850,000	\$55,615,000
2002	\$192,170,000	\$9,518,238	\$4,290,000	\$36,485,000	\$32,195,000
2003	\$196,790,000	\$9,999,101	\$6,240,000	\$10,860,000	\$4,620,000
2004	\$197,950,000	\$9,937,831	\$11,850,000 <sup>5</sup>	\$13,010,000 <sup>5</sup>	\$1,160,000
2005	\$189,570,000	\$7,750,981	\$11,045,000 <sup>6</sup>	\$2,665,000 <sup>6</sup>	(\$8,380,000)
2006	\$186,215,000	\$8,631,717	\$12,245,000	\$8,890,000	(\$3,355,000)
2007	\$182,604,998	\$8,166,736	\$14,595,002	\$10,985,000	(\$3,610,002)

**Limits, Authorizations and Issuances by Category on June 30, 2007**

	Judicial Limit	State Agency	Corrections	Psychiatric Treatment Facility	Capital Construction and Repair	Total
Maximum Limits	\$76,000,000 <sup>7</sup>	\$53,000,000 <sup>8</sup>	\$85,000,000 <sup>9</sup>	\$33,000,000 <sup>10</sup>	\$16,485,000 <sup>11</sup>	\$263,485,000
Outstanding Debt	\$35,143,993	\$41,999,771	\$67,830,251	\$24,100,983	\$13,530,000	\$182,604,998

**Notes:**

- <sup>1</sup> Not shown is an additional \$1,000,000 borrowed through a line of credit that was paid off in FY 1991.
- <sup>2</sup> Does not reflect an additional \$13,490,000 of outstanding debt that was refunded in FY 1994 without changing the net amount of debt outstanding.
- <sup>3</sup> Not shown is an additional \$10,350,000 that was issued through a line of credit - \$8,157,411 for state facilities and \$2,187,589 for correctional facilities. It was the first non-judicial borrowing and was paid off in FY 2000.
- <sup>4</sup> Not shown is an additional \$3,276,000 borrowed through a line of credit that was paid off in FY 2000 (same year).
- <sup>5</sup> Does not reflect an additional \$34,915,000 of outstanding debt that was refunded in FY 2004 without changing the net amount of debt outstanding.
- <sup>6</sup> Does not reflect an additional \$51,545,000 of outstanding debt that was refunded in FY 2005 in exchange for \$54,210,000 in new principal.
- <sup>7</sup> PL 1999, c. 787 increased the Judicial limit to \$40,000,000 effective August 11, 2000. PL 2005, c.460 raised to \$75,000,000 effective 09/17/05. PL 2005 c.463 added another \$1,000,000 to \$76,000,000 effective 07/01/06.
- <sup>8</sup> PL 1997, c. 788 established a limit of \$53,000,000 and authorized \$52,500,000 for state facilities effective July 9, 1998. PL 2001, c. 439, Part F authorized \$7,360,000 for renovations at AMHI, the Governor Baxter School and the DOT building in Augusta.
- <sup>9</sup> PL 1997, c. 752 authorized \$85,000,000 for correctional facilities not subject to the \$53,000,000 limit for state facilities effective July 9, 1998.
- <sup>10</sup> PL 1999, c. 731, Pt. NNN authorized \$33,000,000 for a psychiatric treatment facility not subject to the \$53,000,000 limit effective August 11, 2000.
- <sup>11</sup> PL 2003, c. 20, Part PP authorized \$7,485,000 for capital repairs and improvements at various state facilities not subject to the \$53,000,000 limit effective 7/01/03. PL 2005, c.468 added \$9,000,000 for the same purpose effective 6/29/05.
- <sup>12</sup> Interest paid prior to FY 1995 is on an accrual basis, after FY 1995 on a cash basis.

## **SECTION V – GENERAL FUND RESERVE FUNDS**

This section provides a history of the balances and statutory caps of the General Fund's 2 major on-going reserve funds, the Maine Budget Stabilization Fund and the Reserve for General Fund Operating Capital. The history presented in the table and graph on the next page begins with the creation of the Maine Rainy Day Fund, the predecessor of the Maine Budget Stabilization Fund, in fiscal year 2005.

### **Maine Budget Stabilization Fund**

The Maine Budget Stabilization Fund was established in 5 M.R.S.A. c. 142 effective July 1, 2005 as a General Fund reserve account to be used to offset a General Fund revenue shortfall. The revised Budget Stabilization Fund is intended to work in conjunction with the appropriations limitation. When General Fund budgeted resources exceed the appropriation limitation, the excess budgeted resources are transferred to the Budget Stabilization Fund. Balances in the fund do not lapse; but carry forward each year. The money in the fund may be invested with any earnings credited to the fund except when the fund is at its statutory cap. In addition to interest earnings and transfers of budgeted resources in excess of the appropriations limitation, the fund is also capitalized at the close of each fiscal year from available unappropriated surplus of the General Fund, the so-called "cascade." As the third priority after transfers to the State Contingent Account and the Loan Insurance Reserve Fund at the Finance Authority of Maine, the State Controller is required to transfer 35% of the remaining unappropriated surplus of the General Fund, when the fund is not at its statutory cap. The statutory cap for the fund is 12% of the total General Fund revenue received in the immediately preceding fiscal year, which at the close of a fiscal year equals the year being closed.

The Budget Stabilization Fund may still be used to fund payments of death benefits for law enforcement officers and firefighters. The Budget Stabilization Fund is the successor of the Maine Rainy Day Fund, which was established in 1985 in 5 M.R.S.A. §1513.

### **Reserve for General Fund Operating Capital**

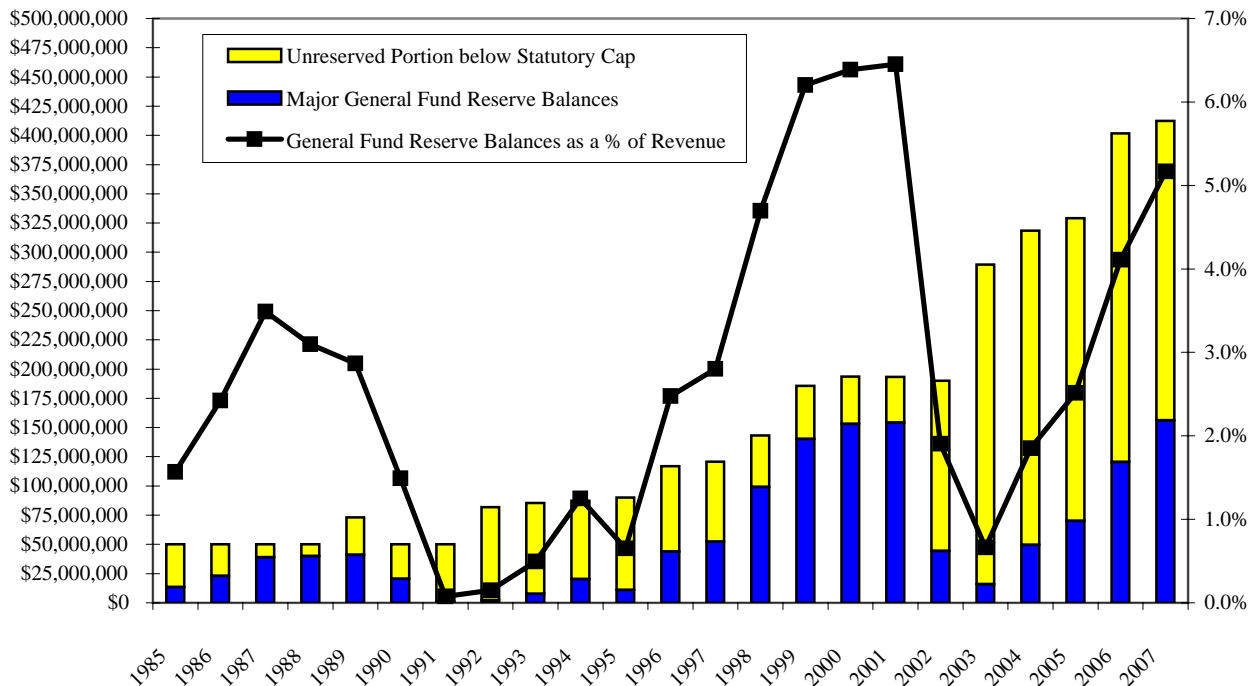
The Reserve for General Fund Operating Capital is a General Fund reserve fund or account that maintains a balance to provide a cash flow reserve for the General Fund. It was originally enacted as 5 M.R.S.A. §1511 in 1975 and was moved to 5 M.R.S.A. §1536 with the enactment of the Maine Budget Stabilization Fund and the appropriations limitation effective July 1, 2005. This reserve is capitalized at the close of the fiscal year in the same manner as the Maine Budget Stabilization Fund. Instead of 35% of the remaining unappropriated surplus the Reserve for General Fund Operation Capital receives 20%. The reserve does not receive interest earnings. The statutory cap for this is currently \$50,000,000. The cap was increased from its original \$25,000,000 cap in fiscal year 1996.

**TABLE V-1 MAJOR GENERAL FUND RESERVE FUNDS**

**History of Ending Balances and Statutory Caps**

Fiscal Year Ending June 30th	Maine Budget Stabilization Fund		Reserve for General Fund Operating		Ending Balances as a % of General Fund Revenue
	Statutory Cap	Ending Balance	Statutory Cap	Ending Balance	
1985	\$25,000,000	\$1,303,556	\$25,000,000	\$12,000,000	1.6%
1986	\$25,000,000	\$9,969,161	\$25,000,000	\$13,000,000	2.4%
1987	\$25,000,000	\$25,000,000	\$25,000,000	\$14,000,000	3.5%
1988	\$25,000,000	\$25,000,000	\$25,000,000	\$15,000,000	3.1%
1989	\$48,000,000	\$25,000,000	\$25,000,000	\$16,000,000	2.9%
1990	\$25,000,000	\$3,595,563	\$25,000,000	\$17,000,000	1.5%
1991	\$25,000,000	\$82,473	\$25,000,000	\$1,000,000	0.1%
1992	\$56,963,388	\$756,513	\$25,000,000	\$1,500,000	0.1%
1993	\$60,498,524	\$6,713,842	\$25,000,000	\$1,000,000	0.5%
1994	\$62,456,106	\$16,765,494	\$25,000,000	\$3,500,000	1.2%
1995	\$64,955,539	\$6,422,240	\$25,000,000	\$4,500,000	0.7%
1996	\$66,869,457	\$38,240,859	\$50,000,000	\$5,500,000	2.5%
1997	\$70,656,030	\$45,724,219	\$50,000,000	\$6,500,000	2.8%
1998	\$93,154,315	\$91,690,842	\$50,000,000	\$7,500,000	4.7%
1999	\$135,583,098	\$131,689,407	\$50,000,000	\$8,500,000	6.2%
2000	\$143,713,008	\$143,478,658	\$50,000,000	\$9,500,000	6.4%
2001	\$143,437,701	\$143,713,008	\$50,000,000	\$10,500,000	6.5%
2002	\$139,899,634	\$33,920,682	\$50,000,000	\$10,500,000	1.9%
2003	\$239,469,019	\$10,579,345	\$50,000,000	\$5,289,672	0.7%
2004	\$268,353,956	\$33,158,244	\$50,000,000	\$16,532,953	1.9%
2005	\$279,084,505	\$47,071,215	\$50,000,000	\$23,093,792	2.5%
2006	\$351,819,082	\$79,902,987	\$50,000,000	\$40,615,146	4.1%
2007	\$362,351,447	\$115,479,866	\$50,000,000	\$40,615,146	5.2%

**Graph V-1 General Fund Reserve Fund Balances  
History of Ending Balances and Statutory Caps**



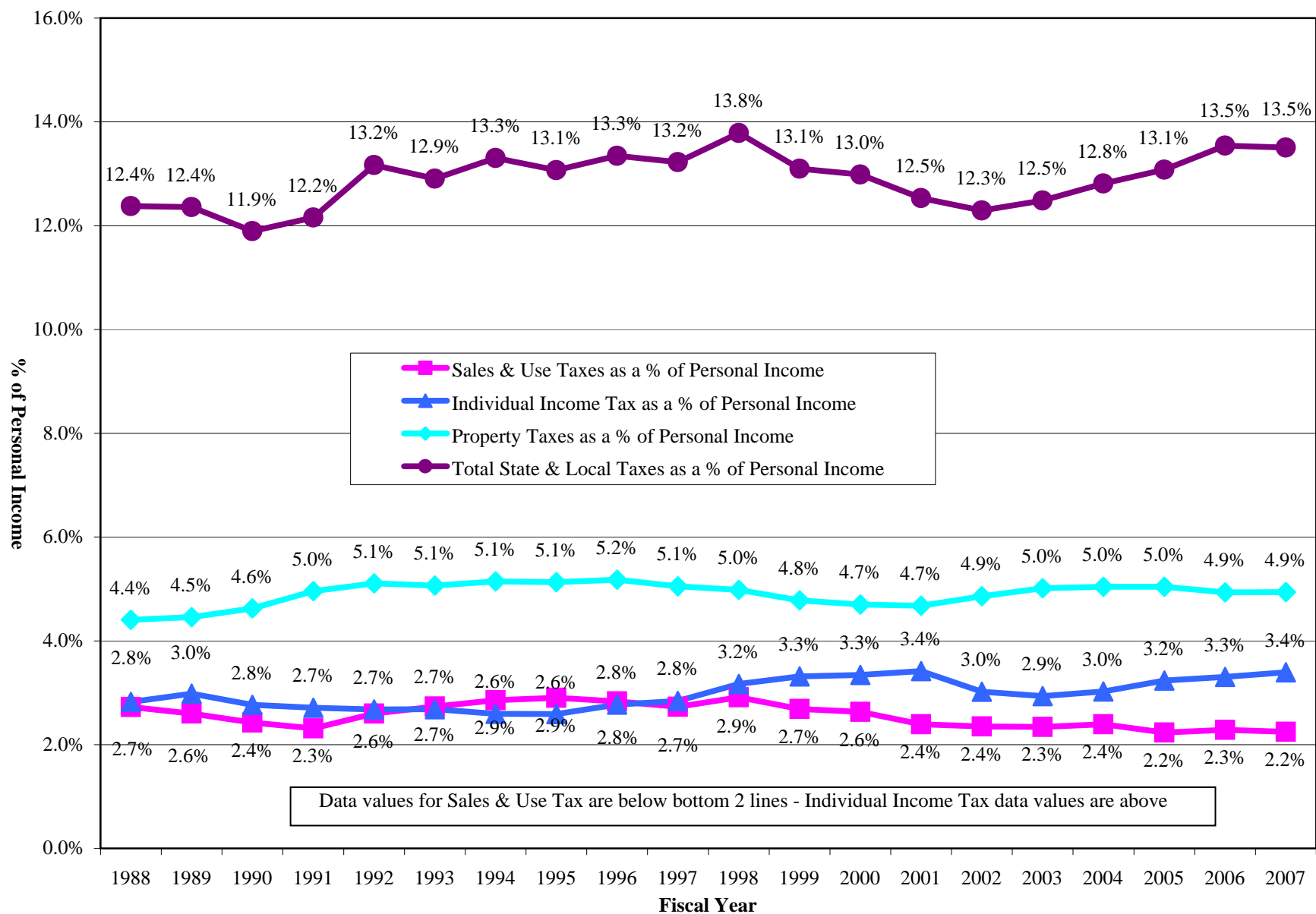
## SECTION VI – STATE AND LOCAL TAX BURDENS

This section provides a historical look at Maine’s state and local tax burdens. For the purposes of the compendium, tax burden is portrayed by two relatively simple measures: taxes as a percent of personal income and taxes per capita. The “taxes” included in this analysis are all state and local taxes, which includes 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).

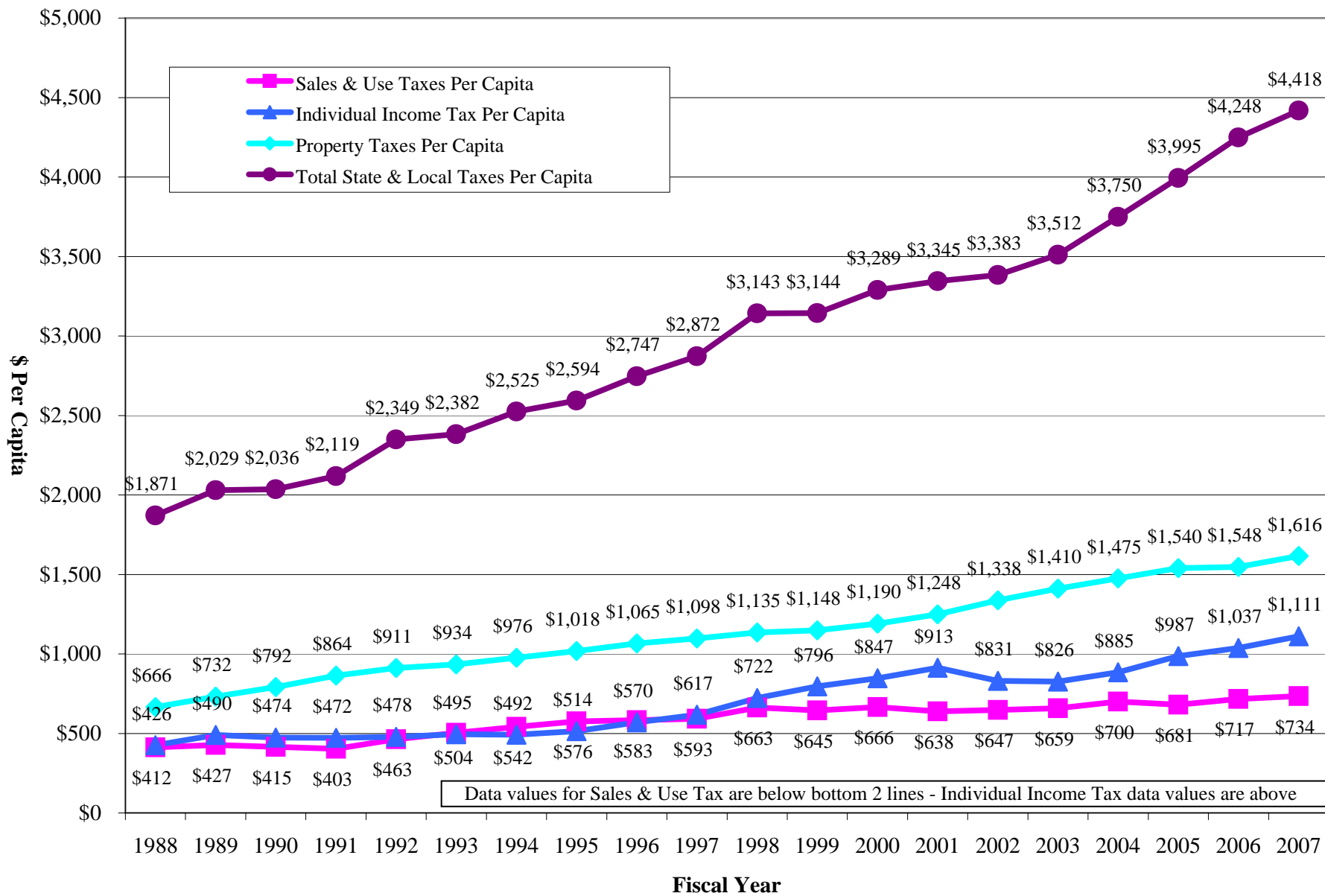
These taxes are then divided by Maine’s personal income and population to present taxes as a percentage of personal income and taxes per capita amounts. Personal income and population data are from the United States Department of Commerce, Bureau of Economic Analysis and Bureau of Census and Maine’s State Planning Office. This year’s report also provides an inflation adjusted analysis of per capita income to compare the “real” or inflation adjusted growth of state and local taxes to population.

As mentioned above, this section represents relatively simple measures of tax burden that are often used to compare tax burdens for all states. The Research Division of Maine Revenue Services within the Department of Administrative and Financial Services presents a much more comprehensive analysis of Maine’s tax burden in its report, *Maine Tax Incidence Study: A Distributional Analysis of Maine’s State and Local Taxes*. The report is required to be updated biennially by M.R.S.A. 36 §200.

### Graph VI-1 State and Local Taxes - % of Personal Income



### Graph VI-2 State and Local Taxes Per Capita



### Graph VI-3 State and Local Taxes Per Capita - Inflation Adjusted

