

August 4, 2015

Mastraccio presentation to Sanford City Council

Impact on Sanford of the 2016-2017 Bipartisan enacted Budget

Direct and Indirect Property Tax Relief

Doubles Homestead Exemption from 10,000 to 20,000 over 2 years with overall state reimbursement increase from 50% to 62.5%

Maintains current levels of revenue sharing for Next 4 fiscal years at 62.5 million/year or 2% of all state sales and income taxes, finally providing some predictability for municipalities

Increase of 40 million/year to General Purpose Aid for education which benefits high receivers like Sanford

General Assistance overall reimbursement of 70% which will mean less out of local property taxes

Increased Investment in Students and Workers

Already mentioned 80 million additional dollars for k-12 education

Over 1 million more for Head Start funding

28 million additional dollars for higher Ed funding, including Community college system

10 million dollar increase to the Maine State Grant program

1 million more for job training

Drugs for the Elderly program funding was maintained as well as funding for the Healthy Maine Partners, 2 programs that many Sanford residents benefit from, both directly and indirectly.

More low income families will be eligible for help with childcare and transportation costs while working or attending school or job training.

Income, Sales and other Taxes

83% of working Maine families will see a tax cut when filing their Maine income tax returns.

Exempts Military pensions from state income tax

Refundable Maine Earned Income Tax credit of 5%

New Sales tax fairness credit for lower income tax filers
Increases significantly the standard deduction and maintains the mortgage deduction for most filers
Sales tax remains at 5.5%
Meals tax remains at 8%
Lodging tax increases to 9%

New law that is important for Sanford and Southern Maine region

LD 186 An Act to Reverse Jail Consolidation

Returns to the County Governments responsibility of managing county jails and eliminates the State Board of Corrections; allows increase of up to 3%/yr in prop tax assessments for jail operation purposes but if Legislature fails to adequately fund jails, receiving jails can increase boarding rates

LD 93. An Act To Amend the Laws Governing Pine Tree Development Zone Benefits for the Town of Berwick and the City of Sanford

This allows a theme park resort as a pilot project in Sanford to apply for Pine Tree Zone designation (York Pines)

LD 1203. An Act to Address the Detrimental Effects of Abandoned Property

This act simply provides a process for municipalities to manage properties that have been abandoned by their owners

LD 652 An Act to Authorize the Carrying of Concealed Handguns without a permit

Individuals not already prohibited from possessing a firearm will now be allowed to carry a concealed handgun without a permit and additionally allows a person to possess a loaded pistol or revolver in a motor vehicle or trailer.

LD 131 An Act to Amend the Laws related to Public Funding of Charter Schools.

Uses EPS funding model to fund Charter Schools rather than bill local districts

Included in the budget bill is a facility needs study of all York County courthouses