

MAINE STATE LEGISLATURE

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STATE OF MAINE
ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON
TAXATION
BILL SUMMARY



JUNE 1987

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ONE HUNDRED AND THIRTEENTH LEGISLATURE
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JOINT STANDING COMMITTEE
BILL SUMMARIES
JUNE 1987

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The summaries are arranged by LD number under each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "COMMITTEE" if it is a committee amendment.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Please let us know if you would prefer a different format or additional information and if the summaries are helpful.

Key to Committee Reports and Floor Action:

OTP	Ought to Pass
OTP-ND	Ought to Pass in New Draft
OTP-ND-NT	Ought to Pass in New Draft, New Title
OTP-A	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

LD AN ACT TO ENABLE MUNICIPALITIES TO ASSESS
1179 IMPACT TAXES ON DEVELOPMENT

CARRY-OVER

Sponsor: CONNOLLY, Mayo, Higgins, Estes
Committee Report: CARRY-OVER

SUMMARY: This bill was held over by the Committee.

Permits municipalities to adopt an excise tax on new developments to offset direct and indirect costs to the municipality associated with the development.

This bill was held over by the Committee.

LD AN ACT TO AMEND THE INFLATION INCREMENTING
1197 PROVISION IN THE TAX LAWS

PL 1987
c. 430

Sponsor: HIGGINS, Bailey, Hanley, Cashman
Committee Report: OTP-AM
Amendments Adopted:
H-263 COMMITTEE

SUMMARY: This bill changes the method of indexing under the income tax for the standard deduction, personal exemption and bracket amounts to provide for cumulative indexing rather than incremental adjustments. This will permit eventual adjustments when there are periods of low inflation.

LD AN ACT TO EXEMPT A HOMESTEAD PERCENTAGE OF
1215 PROPERTY TAX

LVWD

Sponsor: RANDALL, Twitchell, Jackson, Zirnkilton
Committee Report: LVWD

SUMMARY: Provides a property tax exemption of 20% of value for homesteads which are occupied by the taxpayer.

LD AN ACT AUTHORIZING COUNTIES TO CHOOSE
1225 ALTERNATIVE SOURCES OF REVENUE

CARRY-OVER

Sponsor: VOSE, Cashman, Twitchell, Dow
Committee Report: CARRY-OVER

SUMMARY:
This bill permits counties to adopt a local option sales or income tax. The sales tax would be limited to 2% of sales price and the income tax would be limited to 10% of the state income tax. The taxes would piggyback onto the state