

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
119TH LEGISLATURE

FIRST REGULAR SESSION

BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
TAXATION

AUGUST 1999

*Staff:*

*Julie S. Jones, Legislative Analyst*

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5 State House Station  
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*MEMBERS:*

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Sen. Beverly C. Daggett  
Sen. S. Peter Mills*

*Rep. Kenneth T. Gagnon, Chair  
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Rep. Peter E. Cianchette*



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**MEMORANDUM**

To: Members, Joint Standing Committee on Taxation

From: Julie S. Jones, Legislative Analyst

Date: August, 1999

Re: Bill Summaries, 119th Legislature, 1st Regular Session

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the Joint Standing Committee on Taxation during the 1st Regular Session of the 119th Legislature. The summary describes each bill or order and relevant amendments as well as the final action. Also included is a statistical summary of bill activity by the committee. Please note the effective date for all non-emergency legislation enacted in the 1st Regular Session (unless a later date is specified in a particular law) is September 18, 1999. Joint orders are effective when passed.

The document is organized for convenient reference to information on bills handled by the committee this session. It is organized by bill (LD) number and two indices are located at the back of the document that group bills by subject and by LD number. Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

*CARRIED OVER .....Bill carried over to Second Regular Session*  
*CON RES XXX ..... Chapter # of Constitutional Resolution passed by both Houses*  
*CONF CMTE UNABLE TO AGREE ..... Committee of Conference unable to agree; bill died*  
*DIED BETWEEN BODIES ..... House & Senate disagree; bill died*  
*DIED IN CONCURRENCE ..... One body accepts ONTP report; the other indefinitely postpones the bill*  
*DIED ON ADJOURNMENT ..... Action incomplete when session ended; bill died*  
*EMERGENCY ..... Enacted law takes effect sooner than 90 days*  
*FAILED EMERGENCY ENACTMENT/FINAL PASSAGE ..... Emergency bill failed to get 2/3 vote*  
*FAILED ENACTMENT/FINAL PASSAGE ..... Bill failed to get majority vote*  
*FAILED MANDATE ENACTMENT ..... Bill imposing local mandate failed to get 2/3 vote*  
*NOT PROPERLY BEFORE THE BODY ..... Ruled out of order by the presiding officers; bill died*  
*INDEF PP ..... Bill Indefinitely Postponed*  
*ONTP ..... Ought Not To Pass report accepted*  
*OTP ND ..... Committee report Ought To Pass In New Draft*  
*OTP ND/NT ..... Committee report Ought To Pass In New Draft/New Title*  
*P&S XXX ..... Chapter # of enacted Private & Special Law*  
*PUBLIC XXX ..... Chapter # of enacted Public Law*  
*RESOLVE XXX ..... Chapter # of finally passed Resolve*  
*UNSIGNED ..... Bill held by Governor*  
*VETO SUSTAINED ..... Legislature failed to override Governor's Veto*  
*READ AND PASSED ..... Joint Order passed by the House and Senate*  
*PASSED AS AMENDED ..... Joint Order passed as amended by the House and Senate*

A complete summary of bills for all committees will be available in the very near future. Copies will be on file in the Law and Legislative Reference Library and Senate and House offices. You will also soon be able to access these bill summaries from our website.

I hope you find this information useful. If you have any questions or suggestions, please do not hesitate to contact this office.

Best wishes for an enjoyable summer.

\$5,000 for a person who is filing a joint tax return or is a single parent with children or \$3,000 for a person filing a single tax return. The deduction would apply to tax years beginning January 1, 2000.

**LD 102**                      **An Act to Change Eligibility for the Elderly Low Cost Drug Program**                      **ONTP**

<u>Sponsor(s)</u> AHEARNE PENDLETON		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 102 proposed to expand eligibility for the elderly low cost drug program to include individuals when at least 40% of the household income is spent on health care and the household income is not more than 25% above basic eligibility levels.

Bills relating to the elderly low cost drug program were heard jointly with the Joint Standing Committee on Health and Human Services. Please see bills indexed for that Committee.

See also the “Part 2” budget bill, PL 1999, chapter 401, Part KKK.

**LD 115**                      **An Act to Amend the Elderly Low Cost Drug Program**                      **ONTP**

<u>Sponsor(s)</u> BERUBE MENDROS		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 115 proposed to lower the income eligibility level for the elderly low cost drug program for households with more than one member. It would have required that the income limits for a single-member household apply to any applicant, regardless of the number of members in the household.

Bills relating to the elderly low cost drug program were heard jointly with the Joint Standing Committee on Health and Human Services. Please see bills indexed for that Committee.

See also the “Part 2” budget bill, PL 1999, chapter 401, Part KKK.

**LD 120**                      **An Act to Include Investment in Agricultural Building Improvements in the Business Property Tax Reimbursement Program**                      **ONTP**

<u>Sponsor(s)</u> LONGLEY COWGER		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 120 proposed to extend the benefits of the business equipment tax reimbursement (BETR) program to building improvements used for a trade or business activity related to agriculture.

**LD 128**                      **An Act to Exempt Pregnancy Care Centers from the Sales Tax**                      **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KIEFFER O'NEAL	ONTP	

LD 128 proposed to exempt from the sales tax sales to nonprofit organizations whose primary purpose is to educate women with unwanted pregnancies as to the life-saving alternatives available to those women.

**LD 146                      An Act to Exempt Pension and Retirement Benefits from the Maine Income Tax                      DIED BETWEEN BODIES**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GLYNN AMERO	ONTP      MAJ OTP-AM    MIN	

LD 146 proposed to exempt pension and retirement benefits over \$25,000 for individuals and \$44,000 for couples filing jointly from Maine income tax beginning January 1, 2000.

**LD 161                      An Act to Establish a Tax Credit for Day Care Facilities for Expenditures Required to Comply with the Lead Poisoning Control Act                      INDEF PP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
COLWELL GOLDTHWAIT	OTP-AM	

LD 161 proposed to establish a revolving loan fund administered by the Maine State Housing Authority for certain preschool facilities that are required to incur lead abatement expenses. The bill also proposed an income tax credit of up to \$1,000 for certain preschool facilities that incur expenditures for mandatory lead abatement.

**Committee Amendment "A" (H-202)** This amendment proposed to strike the provisions of the bill providing for a revolving loan program. The amendment established a definition for an "eligible facility" and clarified that the credit is a one-time credit and may not reduce tax liability below zero

**LD 162                      An Act to Make Minor Substantive Changes in the Tax Laws                      PUBLIC 521**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GAGNON HARRIMAN	OTP-AM	H-695 S-419    MICHAUD

LD 162 proposed to make minor substantive changes to various laws concerning taxation. The following changes were proposed:

<u>Section</u>	<u>Proposed change</u>
A-1	Expands eligibility for a refund or credit of taxes
A-2	Eliminates penalty for failure to file if the tax due is \$25 or less