

# 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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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.

LD 379 proposed to exempt from the sales tax sales to nonprofit literacy organizations.

**Committee Amendment "B" (H-647)** proposed to clarify the language of the provision included in the original bill and include certain organizations providing free clinical assistance to children with dyslexia.

**Enacted law summary**

Public Law 1999, chapter 485 exempts from sales tax sales to incorporated, nonprofit organizations or their affiliates whose purpose is to provide literacy assistance or free clinical assistance to children with dyslexia.

**LD 386                                An Act to Equalize the Taxation Treatment of Health Insurance Companies and Health Maintenance Organizations                                ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SAXL J LAFOUNTAIN	ONTP	

LD 386 proposed to make for-profit health maintenance organizations subject to the insurance premium tax. It also proposed to require that the tax revenue generated from the taxation of health maintenance organizations be divided between the elderly low-cost drug program and the Cub Care program. See also LD 1947, referred to the Joint Standing Committee on Banking and Insurance.

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

**LD 403                                An Act to Allow a One-time Double Exemption for Income Tax Filers Who Adopt a Dependent Child                                DIED BETWEEN BODIES**

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

LD 403 would have entitled a resident individual to claim a one-time additional income tax exemption for a dependent minor child whose adoption was finalized during the taxable year..

**LD 410                                An Act to Reduce the Sales Tax to 5%                                ONTP**

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

LD 410 proposed to reduce the sales tax to 5%, effective October 1, 1999 and retain the sales tax trigger.

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