

# 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*

*Office of Fiscal and Program Review  
5 State House Station  
Augusta, ME 04333-0005  
(207)287-1635*

*MEMBERS:*

*Sen. Richard P. Ruhlin, Chair  
Sen. Beverly C. Daggett  
Sen. S. Peter Mills*

*Rep. Kenneth T. Gagnon, Chair  
Rep. Bonnie Green  
Rep. Thomas M. Davidson  
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Rep. John T. Buck  
Rep. Peter E. Cianchette*



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**5 State House Station**  
**Augusta Maine 04333-0005**  
**TEL: (207) 287-1635**  
**FAX: (207) 287-6469**

**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.

Sponsor(s)  
MILLS

Committee Report  
OTP-AM

Amendments Adopted  
S-49

LD 587 proposed that a penalty be imposed on a municipality, to be deducted from any state funds otherwise payable to the municipality, if the municipality files late the annual return and lists required by the Maine Revised Statutes, Title 36, section 383. The penalty for municipalities with a population of less than 2,000 would be \$50 for the first late day and \$10 for each day thereafter. The penalty for municipalities with a population of more than 2,000 would be \$100 for the first day and \$20 for each late day thereafter.

**Committee Amendment "A" (S-49)** proposed that the penalty established be deducted only from reimbursement due the municipality or primary assessing area under the Tree Growth Tax Law and be limited to the amount of that reimbursement..

***Enacted law summary***

Public Law 1999, chapter 487 provides a penalty for late filing of annual municipal valuation returns and lists. The penalty is deducted from any reimbursement the municipality is due under the Tree Growth Tax Law and, for municipalities with a population of 2,000 or less, is \$50 for the first late day and \$10 for each day thereafter. For municipalities with a population of more than 2,000 the penalty is \$100 for the first late day and \$20 for each day thereafter.

**LD 597**

**An Act to Allow Certain Companies' Operations that Started in 1996 to Qualify for Employment Tax Increment Financing Treatment**

**P & S 46**

Sponsor(s)  
MURRAY  
SAXL J

Committee Report  
OTP-AM

Amendments Adopted  
S-50

LD 597 proposed to permit a business to use 1995 base data for the employment tax increment program if the business's application for the program was not approved before December 31, 1996 because of delays in fully implementing the program and the program was fundamental to the business's decision to invest. Only one business is known to fall into this category.

**Committee Amendment "A" (S-50)** added a fiscal note to the bill.

***Enacted law summary***

Private and Special Law 1999, chapter 46 permits a business to use 1995 base data for the employment tax increment program if the business's application for the program was not approved before December 31, 1996 because of delays in fully implementing the program and the program was fundamental to the business's decision to invest.

**LD 609**

**An Act to Repeal All State Taxes on Phone Service**

**ONTP**

Sponsor(s)  
KASPRZAK  
PENDLETON

Committee Report  
ONTP

Amendments Adopted

LD 609 proposed to exempt local and intrastate interexchange telephone service from the sales and use tax.