

# MAINE STATE LEGISLATURE

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**STATE OF MAINE  
119TH LEGISLATURE**

**SECOND REGULAR SESSION**

**BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
TAXATION**

**JULY 2000**

**Staff:**

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TO: Members, Joint Standing Committee on Taxation  
 FROM: Julie Jones, Legislative Analyst  
 DATE: July, 2000  
 RE: **BILL SUMMARIES, 119th LEGISLATURE, 2nd 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 2nd 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 2nd Regular Session (unless a later date is specified in a particular law) is August 11, 2000. 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:

*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 amendment 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.

**Enacted Law Summary:**

Public Law 1999, chapter 752 expands the Maine Seed Capital Tax Credit Program for a limited period. For investments made after the effective date of the bill and prior to July 1, 2001, the amount of a tax credit certificates is increased from 30 % to 40% of an investment made in an eligible business or made in or unconditionally committed to a private venture capital fund provided the authority determines that the fund has a focus on investing in Maine companies. The remainder of the credit is available to the investors when the venture capital fund has made eligible investments. If the fund fails to make sufficient eligible investments within 3 years, the credit is revoked. The current law limit on aggregate tax credits that can be allocated to investments made by venture capital funds is combined with the limit on credits available for investment in businesses. Investors in a fund collectively are not entitled to a credit for any portion of ownership of a business in excess of 50%.

**LD 2361**                      **An Act to Allow State Pharmacies a Tax Credit for Unreimbursed Medicaid Costs**                      **DIED ON ADJOURNMENT**

| <u>Sponsor(s)</u> | <u>Committee Report</u>          | <u>Amendments Adopted</u> |
|-------------------|----------------------------------|---------------------------|
| BENNETT<br>KANE   | OTP-AM    MAJ<br>ONTP        MIN | S-525                     |

LD 2361 proposed an income tax credits for pharmacies in the amount of point-of-sale prescription drug copayments waived by the pharmacy pursuant to federal law for Medicaid recipients.

**LD 2384**                      **An Act to Protect State Taxpayers and State Jobs**                      **ONTP**

| <u>Sponsor(s)</u>  | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|--------------------|-------------------------|---------------------------|
| DAGGETT<br>COLWELL | ONTP                    |                           |

LD 2384 was a concept draft that proposed to authorize state and local governments to recapture the value of economic development incentives if the recipient failed to meet job and wage goals or moved out of state. The bill proposed a waiver of recapture provisions if the employer demonstrated that its failure to meet goals was caused by economic hardship. The bill also proposed to require that a business closing a plant offer the business for sale to employees or other public or private concerns. See also LDs 2390, 2460, 2501 and 2516.