

MAINE STATE LEGISLATURE

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*State Of Maine
121st Legislature*

First Regular Session

Bill Summaries

*Joint Standing Committee
on
Taxation*

July 2003

Members:

*Sen. Stephen S. Stanley, Chair
Sen. Ethan Strimling
Sen. Richard A. Nass*

*Rep. David G. Lemoine, Chair
Rep. Joseph C. Perry
Rep. Bernard E. McGowan
Rep. Deborah L. Simpson
Rep. Arthur L. Lerman
Rep. Edward J. Suslovic
Rep. Harold A. Clough
Rep. Jonathan T. E. Courtney
Rep. Earle L. McCormick
Rep. Joshua A. Tardy*

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Maine State Legislature



Office Of Policy And Legal Analysis Office Of Fiscal And Program Review

121st Maine Legislature First Regular Session

Summary Of Legislation Before The Joint Standing Committees

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing and joint select committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills considered by the committees. It is arranged alphabetically by committee name and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

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:

<i>CARRIED OVER PURSUANT TO HP 1212</i>	<i>Bills carried over to the 2nd Regular Session</i>
<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN BODIES</i>	<i>House & Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i>	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i>	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed</i>
<i>ONTP</i>	<i>Ought Not To Pass report accepted</i>
<i>OTP-ND</i>	<i>Committee report Ought To Pass In New Draft</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</i>
<i>PASSED</i>	<i>Joint Order passed in both bodies</i>
<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i>	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>

Please note that the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is September 13, 2003.

David C. Elliott, Director
Offices located in Room 215 of the Cross Office Building

LD 858

**An Act To Establish a Municipal Affordable Housing
Development District Tax Increment Financing Program**

PUBLIC 426

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MILLS, P	OTP-AM ONTP	H-412

LD 858 proposed to create a separate tax increment financing law for affordable housing development districts. The bill proposed a process similar to that currently available to municipalities to designate development districts for economic development purposes except that the affordable housing program would be administered by the Maine State Housing Authority.

Committee Amendment “A” (H-412) proposed that the affordable housing development program would require the ongoing affordability for at least 10 years for owner-occupied units and 30 years for rental units. The amendment proposed to add a requirement that the development be primarily a residential development on which at least 33% of the dwelling units were affordable and provided that captured assessed value located within an affordable housing development district must be excluded from a municipality's state valuation. See also LD 202.

Enacted Law Summary:

Public Law 2003, chapter 426 creates a separate tax increment financing law for affordable housing development districts. This chapter creates a process similar to that currently available to municipalities to designate development districts for economic development purposes except that the affordable housing program would be administered by the Maine State Housing Authority. Captured assessed value within an affordable housing tax increment financing district would be sheltered by being excluded from the municipality’s state valuation and, therefore, would not result in the reduction of state distributions to a participating municipality.

LD 868

**An Act To Immediately Eliminate the Marriage Penalty under the
Income Tax Laws**

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GLYNN	ONTP	

LD 868 proposed to provide that the standard deduction for married persons filing joint returns and surviving spouses permitted to file joint returns is twice the amount for persons filing as single individuals. The deduction would not apply to individuals who file joint returns and are also included as dependents on the return of another taxpayer. The standard deduction for heads of households would be 150% of the amount for single individuals.