

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*

Staff:

Julie S. Jones, Legislative Analyst

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

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

26. It clarifies that the \$2,000 income limit for the low-income credit applies to an individual's entire taxable income as determined for resident individuals regardless of whether the taxpayer was a Maine resident for the entire year.
27. It clarifies the circumstances under which a taxpayer may be granted an extension of time to file an individual or fiduciary income tax return.
28. It establishes an automatic extension of time to file an individual or fiduciary income tax return equivalent to the federal extension. These changes provide a statutory basis for policies that have been implemented administratively.
29. It repeals a redundant provision relating to the collection of income tax debts owed by nonresidents. The powers granted to the State Tax Assessor by this provision are included in the general provisions of the tax laws.
30. It repeals a law that requires adoption of a rule for the elderly low-cost drug program to allow consideration of an applicant's change in income from the prior year. As of January 1, 2003, the elderly low-cost drug program is being administered by the Department of Human Services under the laws that govern the Healthy Maine Prescription Program, which determines eligibility based on the current income of the applicant. Repealing this law allows the Bureau of Revenue Services to repeal the rule that is no longer applicable.

LD 1575

An Act To Assist Brascan, the Successor to Great Northern Paper, in Paying the Property Taxes Due to the Towns of Millinocket and East Millinocket

**P&S 8
EMERGENCY**

Sponsor(s)
STANLEY
LEMOINE

Committee Report
OTP-AM

Amendments Adopted
S-44

LD 1575 proposed to provide for a loan from the Finance Authority of Maine to Brascan Corporation to enable the corporation to pay Millinocket and East Millinocket property taxes incurred when the property was owned by Great Northern Paper, Inc., with repayment of the loan from BETR payments, and to ensure that Brascan receives the BETR payments with respect to property taxes it will pay. Great Northern Paper, Inc., which was in bankruptcy, had not paid property taxes in the amount of \$4.4 million to Millinocket and \$3.4 million to East Millinocket for the 2002-03 property tax year. The assets in the Great Northern bankruptcy estate would not have been sufficient to cover those taxes. Brascan Corporation, which agreed to purchase the Millinocket and East Millinocket mills, agreed to pay the unpaid property taxes, in part through application of business equipment tax reimbursement, or "BETR," program reimbursements and tax increment financing payments. Under current law, the BETR payments would not be received until at least August 2004, which would delay payment of taxes until then.

Committee Amendment "A" (S-44) proposed to move funds appropriated for the Business Equipment Tax Reimbursement program from fiscal year 2004-05 to fiscal year 2003-04 to provide the funds necessary to make the reimbursement required by the bill in fiscal year 2003-04.

Enacted law summary:

Private and Special Law 2003, chapter 8 provides for a loan from the Finance Authority of Maine to Brascan Corporation to enable the corporation to pay Millinocket and East Millinocket property taxes incurred when the property was owned by Great Northern Paper, Inc., with repayment of the loan from future BETR payments, and ensures that Brascan receives the BETR payments in fiscal year 2003-04 with respect to property taxes it will pay.

Private and Special 2003, chapter 8 was enacted as an emergency measure effective April 25, 2003.

LD 1587

An Act Regarding Distribution of Tobacco Products

PUBLIC 439

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LEMOINE STANLEY	OTP-AM	H-408

LD 1587 proposed to repeal the existing law governing cigarette distributor's responsibilities and enact in its stead a new subchapter of law that would create a certification process for tobacco product manufacturers, a reporting requirement for tobacco product distributors and wholesalers and a directory of compliant tobacco product manufacturers.

Committee Amendment "A" (H-408) proposed to require the Attorney General to notify the Department of Administrative and Financial Services, Bureau of Revenue Services of certified tobacco products manufacturers. The amendment also proposed to make technical corrections to violations and penalty subsections to be consistent with the MCJUSTIS drafting directives pursuant to Resolve 1997, chapter 105, as amended to provide that each separate offense has a unique statutory cite to enable computerized databases and accurate tracking of offenses and offenders.

Enacted Law Summary:

Public Law 2003, chapter 439 repeals the existing law governing cigarette distributor's responsibilities and enact in its stead a new subchapter of law that would create a certification process for tobacco product manufacturers, a reporting requirement for tobacco product distributors and wholesalers and a directory of compliant tobacco product manufacturers.