

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals  
(may include minor formatting differences from printed original)

*State Of Maine  
122nd Legislature*

*First Regular Session and  
First Special Session*

*Bill Summaries*

*Joint Standing Committee  
on  
Taxation*

*August 2005*

**Members:**

*Sen. Joseph C. Perry, Chair  
Sen. Ethan Strimling  
Sen. Jonathan T. E. Courtney*

*Rep. Richard G. Woodbury  
Rep. Herbert E. Clark  
Rep. Deborah J. Hutton  
Rep. Raymond G. Pineau  
Rep. Thomas R. Watson  
Rep. Harold A. Clough  
Rep. H. Stedman Seavey, Jr.  
Rep. Earle L. McCormick  
Rep. Leonard Earl Bierman  
Rep. Bruce Q. Hanley*

**Staff:**

*Julie S. Jones, Senior Analyst*

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



Maine State Legislature

OFFICE OF POLICY & LEGAL ANALYSIS

13 State House Station, Room 215 Cross State Office Building
Augusta, Maine 04333-0013
Telephone: (207) 287-1670
Fax: (207) 287-1275

122nd Legislature
First Regular Session and First Special Session

Summary of Legislation Considered by the Joint Standing Committees
August 2005

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing select committees of the Maine Legislature this past session.

The document is organized for convenient reference to information on bills considered by the committees. It is organized by committees 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.

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

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is June 29, 2005; and for non-emergency legislation enacted in the First Special Session is September 17, 2005.

## *Joint Standing Committee on Taxation*

See also LD 1, Public Law 2005, chapter 2, Part E.

**LD 319**                      **An Act To Exempt Retirement and Pension Income from the State Income Tax**                      **ONTP**

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

LD 319 proposed to increase the income tax deduction for pension income from \$6,000 to \$35,000 for tax years beginning January 1, 2005 and to broaden the definition of eligible "employee retirement plan" to include other retirement plans such as so-called Roth IRAs and simplified employee pension plans.

**LD 320**                      **An Act To Limit Property Acquired by Municipalities due to Tax Delinquency**                      **ONTP**

|  |                                 |                           |
|--|---------------------------------|---------------------------|
| <u>Sponsor(s)</u><br>MCKANE<br>SNOWE-MELLO | <u>Committee Report</u><br>ONTP | <u>Amendments Adopted</u> |
|--|---------------------------------|---------------------------|

LD 320 proposed to reduce the amount of property acquired by municipalities for nonpayment of taxes by establishing procedures for the development of payment plans both before and after the property is acquired by a municipality. Municipalities would be required to establish procedures for payment plans and to notify persons who are delinquent of those procedures and the availability of property tax relief programs. The municipality would be permitted to set off against delinquent taxes amounts owed by the municipality to the person who is delinquent. If the person who is delinquent in payment of taxes, or in the case of residential property, that person's surviving spouse, continues to reside on or occupy the property, then the municipality could not sell the property to a 3rd party if the person residing on or occupying the residential or commercial property is making a good faith effort to repurchase the property. A former owner or the former owner's surviving spouse would be permitted to buy back the property by payment of delinquent taxes, interest and costs at any time before the property is sold to a 3rd party. A municipality that sold a tax-acquired property would be required to pay the funds received in excess of delinquent taxes, interest and costs to the former owner or the former owner's surviving spouse or heirs.

**LD 325**                      **An Act To Clarify the Definition of "Domiciled" for Maine Income Tax Purposes**                      **CARRIED OVER**

|                               |                                   |  |
|-------------------------------|-----------------------------------|--|
| <u>Sponsor(s)</u><br>CUMMINGS | <u>Committee Report</u><br>OTP-AM | <u>Amendments Adopted</u><br>H-588<br>H-658 CUMMINGS |
|-------------------------------|-----------------------------------|--|