

MAINE STATE LEGISLATURE

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*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
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Rep. Leonard Earl Bierman
Rep. Bruce Q. Hanley*

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Maine State Legislature

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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 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 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. All adopted amendments are listed by paper number. A subject index for each committee is included immediately before the bill summaries for that committee, and a numerical index by LD number is included 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:

- 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

LD 535 proposed to include in the definition of "commercial agricultural production" the removal and storage of manure related to the production of livestock, thus providing a sales tax exemption for machinery purchased for use in the removal and storage of manure as well as the electricity used to operate the machinery.

Committee Amendment "A" (S-88) proposed to add an effective date to the bill.

This bill and its adopted amendment were placed on the Special Appropriations Table and carried over by the Joint Standing Committee on Appropriations and Financial Affairs.

LD 571 **An Act To Allow a Trade-in Credit in the Calculation of the** **ONTP**
Automobile Excise Tax

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

LD 571 proposed to reduce the base value of a motor vehicle for registration excise tax purposes to the maker's list price of the motor vehicle less the amount received for any trade-in of another motor vehicle.

See also LD 345.

LD 580 **An Act To Encourage Downtown and Urban Revitalization while** **ONTP**
Meeting the Requirements of New Storm Water Rules

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BROMLEY KOFFMAN	ONTP MAJ OTP-AM MIN	

LD 580 proposed an income tax credit to owners or users of property within a service center community or growth area that includes an urban, impaired stream that fails to meet water quality standards because of the effect of storm water from undeveloped lands. The credit would equal the user fee or mitigation costs required to be paid by the taxpayer to a municipality or sanitary district for the management of storm water or for the cost of mitigation by the Department of Environmental Protection.

LD 593 **An Act To Alter Trade-in Allowances Regarding Motor Homes** **CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GERZOFSKY COURTNEY	OTP-AM MAJ ONTP MIN	H-75

LD 593 proposed to allow a sales tax trade-in credit for motor homes.

Committee Amendment "A" (H-75) proposed to clarify the definition of "motor home."

Joint Standing Committee on Taxation

This bill, and its adopted amendment, were carried over on the Special Appropriations Table by S.P. 640 to the next special or regular session of the 122nd Legislature.

LD 598 **An Act To Provide an Income Tax Modification for the Federal Empowerment Zone Employment Credit** **ONTP**

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

LD 598 proposed an income tax deduction for any amount received under the federal empowerment zone employment credit program, which provides tax incentives to businesses who hire employees who live and work in federally designated "empowerment zones." The provisions of this bill are already contained in income tax law.

LD 610 **An Act To Encourage More Dentists To Practice in the State** **DIED BETWEEN HOUSES**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LERMAN GAGNON	ONTP MAJ OTP-AM MIN	

LD 610 proposed an income tax credit or deduction for the amount of dental student education loan forgiveness when the dentist elects to serve as a practitioner of dental medicine in an underserved population area pursuant to the terms of the Maine Dental Education Loan Program.

LD 613 **An Act To Provide Tax Incentives to Small Businesses** **CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HANLEY S COWGER	OTP-AM MAJ ONTP MIN	H-109 S-191 STRIMLING

LD 613 proposed to amend the Maine Employment Tax Increment Financing Act to change beginning January 1, 2006 from 5 to one the number of qualified employees a business must add in order to qualify for reimbursement of state income withholding taxes.

Committee Amendment "A" (H-109) proposed to add an appropriations and allocations section to the bill.

Senate Amendment "B" (S-191) proposed to prohibit an owner-operated business, when the only employee is the owner of the business, from obtaining a benefit under the Maine Employment Tax Increment Financing Act.