

State Of Maine 122nd Legislature

Second Regular Session

Bill Summaries

Joint Standing Committee on Taxation

July 2006

<u>Members</u>: 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. Thomas R. Watson Rep. Benjamin F. Dudley Rep. Harold A. Clough Rep. H. Stedman Seavey, Jr. Rep. Earle L. McCormick Rep. Leonard Earl Bierman Rep. Bruce Q. Hanley

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Maine State Legislature



Office of Policy and Legal Analysis Office of Fiscal and Program Review

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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 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, <u>History and Final Disposition of Legislative Documents</u>, 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/billsumm.htm).

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	
DIED IN CONCURRENCEOne	body accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT	
EMERGENCY	Enacted law takes effect sooner than 90 days
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: hill died
INDEF PP	Bill Indefinitely Postponed
ONTP	
OTP-ND	Committee report Ought To Pass In New Draft
P&S XXX	Chapter # of enacted Private & Special Law
PASSED	Joint Order passed in both bodies
PUBLIC XXX	Chapter # of enacted Public Law
RESOLVE XXX	Chapter # of finally passed Resolve
UNSIGNED (Pocket Veto)	Bill held by Governor
VETO SUSTAINED	Bill held by Governor

Please note that the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is August 23, 2006.

Joint Standing Committee on Taxation

Residents Property Tax Program, the so-called "circuit breaker program," from \$2,000 to \$5,000 and to increase the renters benefit from 20% to 22%.

LD 2026 An Act To Implement Recommendations of the Study Commission DIED BETWEEN Regarding Liveable Wages Concerning Conformity with Federal BODIES Tax Laws

Sponsor(s)	Committee	Report	Amendments Adopted
	ONTP	MAJ	
	OTP-AM	MIN	

LD 2026 was a recommendation of the Study Commission Regarding Liveable Wages established in Resolve 2005, chapter 128. The bill proposed to amend Maine's tax laws to achieve conformity with federal tax laws regarding the child care credit, personal exemption and child tax credit.

LD 2027An Act To Implement Recommendations of the Study CommissionDIED BETWEENRegarding Liveable Wages Concerning the State Earned IncomeBODIESTax CreditTax Credit

Sponsor(s)	Committee Report	
-	ONTP	MAJ
	OTP-AM	MIN

Amendments Adopted

LD 2027 was a recommendation of the Study Commission Regarding Liveable Wages, established in Resolve 2005, chapter 128, that proposed to expand the Maine earned income tax credit by increasing it to 30% of the federal credit and by making it refundable.

LD 2039An Act To Establish Municipal Cost Components for Unorganized
Territory Services To Be Rendered in Fiscal Year 2006-07PUBLIC 624
EMERGENCY

Sponsor(s)	Committee Report	Amendments Adopted
_	OTP-AM	H-952
		S-630 MARTIN

LD 2039 proposed to establish municipal cost components for state and county services provided to the unorganized territory that would be paid for by a municipality. The municipal cost components constitute the property tax for the unorganized territory.

Committee Amendment "A" (H-952) proposed statutory changes to apply growth limitations to spending and taxes under the municipal cost component that parallel state and local limitations and to direct the Commission to Study the Cost of Providing Certain Services in the Unorganized Territories to review the new growth limitations and make recommendations for retaining, amending or repealing those limitations to the joint standing committee