

MAINE STATE LEGISLATURE

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STATE OF MAINE
123RD LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills and adopted amendments and laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature coming from the

JOINT STANDING COMMITTEE ON TAXATION

July 2007

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STATE OF MAINE

123RD LEGISLATURE

FIRST REGULAR SESSION

LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS



This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature, which was in session from December 6, 2006 to June 21, 2007.

The *Digest* is arranged alphabetically by committee, and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

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.....	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 (or Accepted ONTP report).....	Ought Not To Pass report accepted
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.....	Bill held by Governor
VETO SUSTAINED.....	Legislature failed to override Governor's Veto

Please note that the effective date for non-emergency legislation enacted in the First Regular Session is **September 20, 2007**. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

Joint Standing Committee on Taxation

This bill exempts from the sales tax the cost of transportation of goods, regardless of to whom they are shipped, as long as the transportation charges are separately stated and the shipping is done by common carrier, contract carrier or the United States mail.

LD 349 An Act To Provide a Tax Credit for the Purchase of Small Wind Power Generators for Personal or Small Business Use CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BROWNE		H-548

This bill provides an income tax credit for a small wind power generator intended to provide electricity to a household or small business.

Committee Amendment "A" (H-548)

This amendment provides that the credit for a small wind power generator may be claimed in only one taxable year and that the credit may not be claimed if a credit is also claimed for the generator as a community wind power generator in any tax year. The amendment also provides for the repeal of the credit at the end of 2010.

This bill was removed from the Special Appropriations Table, recommitted and carried over to any special or regular session of the 123rd Legislature by joint order, H.P. 1369.

LD 355 Resolve, To Establish a Committee To Examine Issues Relating to the Administration and Distribution of Municipal Revenue Sharing ONTP

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

This resolve establishes a municipal revenue sharing committee composed of municipal officials to examine various issues relating to municipal revenue sharing and report to the Joint Standing Committee on Appropriations and Financial Affairs no later than December 15, 2007.

See also LDs 1357 and 1358.

LD 358 An Act To Create the Maine Fishery Infrastructure Tax Credit Program DIED ON ADJOURNMENT

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WATSON	OTP-AM	H-581

This bill provides an income tax credit for investment in eligible public fishery infrastructure projects in the State. Eligible projects must be certified by the Department of Inland Fisheries and Wildlife, which is required to adopt rules for determination of eligibility. Tax certificates may be issued for up to \$5,000,000 per project. Credits must be taken in increments of 25% over 4 years and may not exceed 50% of the total tax imposed on the investor for the applicable year. Unused credits may be carried forward for up to 15 years.

Committee Amendment "A" (H-581)

This amendment adds an application date to the bill.

Joint Standing Committee on Taxation

This bill was placed on the Special Appropriations Table and died on adjournment.

LD 368 *An Act To Encourage Employers To Defray the Cost of College for the Children of Their Employees* ONTP

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

This bill provides an income tax deduction for contributions made by employers to a Coverdell education savings account of a child of an employee.

See also LDs 53, 298, 948, 1815 and 1856.

LD 394 *An Act To Provide a Tax Benefit to Businesses That Invest in Quality Child Care* ONTP

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

This bill provides an income tax deduction for a business that is located in a Pine Tree Development Zone or within 25 miles of such a zone of up to \$5,000 for 10% of the cost of construction or renovation to a facility for the provision of child care services eligible for a quality differential rate as determined by the Department of Health and Human Services and 25% of the cost of direct support provided to such a facility for child care for employees of the business. A new facility would need to demonstrate eligibility for the differential rate within 12 months of opening.

LD 395 *An Act To Use National Standards To Determine Maine's Relative Tax Burden for Purposes of Budget Caps* ONTP

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

This bill changes the State's tax burden goal for 2015 to be at or below the median for all states and requires that the calculation of the State's state and local tax burden relative to other states for purposes of state and local spending limitations be based solely on data from the United States Census Bureau without adjustments by the State Tax Assessor for the State's unique expenditure tax relief programs. The bill also requires the Governor to include in the biennial budget document an assessment of where the State stands in meeting the tax burden goal. See also LD 1581.

LD 402 *An Act To Clarify the Application of the Real Estate Transfer Tax with Regard to Partial Sales of Corporations That Own Real Estate* ONTP

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