

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 state income tax all military pension and survivors' benefits for military personnel retiring on or after January 1, 2007 received by a Maine resident as a result of service in the active or reserve components of the Army, Navy, Air Force, Marines or Coast Guard.

Committee Amendment "A" (H-559)

This amendment is the majority report of the committee. It strikes and replaces the appropriations and allocations section.

Committee Amendment "B" (H-560)

This amendment is the minority report of the committee. It limits the income tax exemption for newly retired veterans to \$15,000.

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

| | | |
|---------------|---|---------------------|
| LD 530 | An Act To Encourage Open Space through Current Use Taxation of Open Space Land Set Aside for Long-term Protection from Development | CARRIED OVER |
|---------------|---|---------------------|

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| HILL | | |

This bill permits an 85% reduction in property taxes for open space land set aside for long-term protection in a municipality where the voters have determined that there is a critical need for open space land. The withdrawal penalty for open space land set aside for long-term protection is the same as for withdrawal of farmland from classification which is the minimum constitutional penalty.

This bill was carried over to any special or regular session of the 123rd Legislature by joint order, H.P. 1369.

| | | |
|---------------|---|---------------------|
| LD 531 | An Act To Improve the Method of Taxing Natural Gas for Highway Use | CARRIED OVER |
|---------------|---|---------------------|

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| BLISS | | |

This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to change the method of taxing compressed natural gas used in vehicles so that the BTU value is more accurately reflected and accounted for in determining the tax.

This bill was carried over to any special or regular session of the 123rd Legislature by joint order, H.P. 1369.

| | | |
|---------------|---|---------------------|
| LD 543 | Resolve, To Establish the Maine Tree Growth Tax Law Review Committee | CARRIED OVER |
|---------------|---|---------------------|

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| SAVIELLO | | |