

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

**LD 919 An Act To Clarify the Sales Tax and Service Provider Tax Exemptions
for Nonprofit Ambulance Services**

PUBLIC 419

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MILLETT RAYE	OTP-AM	S-366 ROTUNDO

This bill expands an existing sales and use tax exemption for incorporated nonprofit fire departments and ambulance services to include air ambulance services that are limited liability companies, all of whose members are nonprofit organizations. The bill also adds a similar exemption to the service provider tax law. The exemption provisions apply retroactively to sales that occurred and leases that were entered into prior to the effective date of the legislation.

Senate Amendment "A" (S-366)

This amendment strikes the retroactivity section from the bill.

Enacted Law Summary

Public Law 2007, chapter 419 expands an existing sales and use tax exemption for incorporated nonprofit fire departments and ambulance services to include air ambulance services that are limited liability companies, all of whose members are nonprofit organizations. Chapter 419 also adds a similar exemption to the service provider tax law.

LD 920 An Act To Repeal the Maine Use Tax

**ACCEPTED ONTP
REPORT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CEBRA SNOWE-MELLO	OTP-AM MAJ ONTP MIN	

This bill repeals the use tax.

LD 936 An Act To Protect the Housing Opportunities for Maine Fund

PUBLIC 427

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BRYANT M	OTP MAJ ONTP MIN	

This bill prohibits the Governor or the Legislature from diverting revenues payable to the Housing Opportunities for Maine Fund and requires legislation proposing to lower the percentage of revenues to the HOME Fund from the Real Estate Transfer Tax be submitted to the joint standing committee of the Legislature with jurisdiction over affordable housing matters.

Enacted Law Summary

Public Law 2007, chapter 427 prohibits the Governor or the Legislature from diverting revenues payable to the Housing Opportunities for Maine Fund and requires that proposals to lower the percentage of revenues to the HOME Fund from the Real Estate Transfer Tax be submitted to the joint standing committee of the Legislature

Joint Standing Committee on Taxation

with jurisdiction over affordable housing matters.

LD 937 An Act To Exempt Qualifying Snowmobile Trail Grooming Equipment from State Sales Tax

PUBLIC 429

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CLARK	OTP-AM	H-283 S-353 ROTUNDO

This bill exempts from sales and use tax snowmobiles and snowmobile trail grooming equipment purchased by an entity that is eligible for partial reimbursement of that purchase from a capital equipment grants program administered by the Department of Conservation, Bureau of Parks and Lands.

Committee Amendment "A" (H-283)

This amendment removes the provision referencing a capital equipment grants program administered by the Department of Conservation, Bureau of Parks and Lands and limits the sales and use tax exemption to equipment used by nonprofit snowmobile clubs directly and exclusively for the grooming of snowmobile trails.

Senate Amendment "A" (S-353)

This amendment requires that at the end of each fiscal year the State Controller shall transfer from the Snowmobile Trail Fund to the unappropriated surplus of the General Fund an amount equal to the tax exemption for certain trail grooming equipment.

Enacted Law Summary

Public Law 2007, chapter 429 provides a sales and use tax exemption to equipment used by nonprofit snowmobile clubs directly and exclusively for the grooming of snowmobile trails and requires that at the end of each fiscal year the State Controller shall transfer from the Snowmobile Trail Fund to the unappropriated surplus of the General Fund an amount equal to the tax exemption for certain trail grooming equipment.

LD 945 An Act To Require the State's Share of Local Aid to Education To Be Used for Property Tax Relief

ONTP

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

This bill proposes that, beginning with fiscal year 2007-08, 90% of the growth in the State's share of local aid to education must be used to reduce the municipal property tax. The bill also provides that spending limits for local school administrative units may only be exceeded by a voter referendum called by petition of at least 10% of the number of voters at the last election for Governor.

LD 948 An Act To Provide Relief to Maine Residents from Postsecondary Tuition Costs

ONTP

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

This bill establishes a program to provide an income tax credit to reimburse Maine residents for student loan payments when they earn a degree in the State and then live, work and pay taxes in the State thereafter. Any