

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
125<sup>TH</sup> LEGISLATURE  
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

**JOINT STANDING COMMITTEE ON TAXATION**

July 2011

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LEGISLATIVE DIGEST OF BILL SUMMARIES AND  
ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 125<sup>th</sup> Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD 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 LD is noted to the right of the LD title. The following describes the various final actions.

*CARRIED OVER* ..... carried over to a subsequent session of the Legislature  
*CON RES XXX*..... chapter # of constitutional resolution passed by both houses  
*CONF CMTE UNABLE TO AGREE*..... Committee of Conference unable to agree; legislation died  
*DIED BETWEEN HOUSES*..... House & Senate disagreed; legislation died  
*DIED IN CONCURRENCE*..... defeated in each house, but on different motions; legislation died  
*DIED ON ADJOURNMENT*..... action incomplete when session ended; legislation died  
*EMERGENCY*..... enacted law takes effect sooner than 90 days after session adjournment  
*FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE* ..... emergency failed to receive required 2/3 vote  
*FAILED, ENACTMENT or FINAL PASSAGE*..... failed to receive final majority vote  
*FAILED, MANDATE ENACTMENT* ..... legislation proposing local mandate failed required 2/3 vote  
*HELD BY GOVERNOR*..... Governor has not signed; final disposition to be determined at subsequent session  
*LEAVE TO WITHDRAW*..... sponsor's request to withdraw legislation granted  
*NOT PROPERLY BEFORE THE BODY*..... ruled out of order by the presiding officer; legislation died  
*INDEF PP*..... indefinitely postponed; legislation died  
*ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X*... ought-not-to-pass report accepted; legislation died  
*P&S XXX*..... chapter # of enacted private & special law  
*PUBLIC XXX*..... chapter # of enacted public Law  
*RESOLVE XXX*..... chapter # of finally passed resolve  
*VETO SUSTAINED*..... Legislature failed to override Governor's veto

The effective date for non-emergency legislation enacted in the First Regular Session of the 125<sup>th</sup> Legislature is September 28, 2011. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

**Joint Standing Committee on Taxation**

This bill changes the threshold for the requirement to obtain a sales tax resale certificate from \$3,000 to \$500.

**LD 140      An Act To Eliminate the Restriction on Net Operating Loss Carry-forwards**

**DIED ON  
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HUNT	OTP-AM A OTP B ONTP C	H-255

Current federal law allows a person to carry forward net operating losses from one tax year to the next. Maine law puts a 3-year moratorium on the carrying forward of net operating losses for tax years 2009, 2010 and 2011, requiring that the amount subtracted for federal income tax purposes be added back into income for purposes of computing Maine income tax. This bill eliminates the requirement that net operating losses be added back into Maine income for tax years beginning in 2011.

**Committee Amendment "A" (H-255)**

This amendment adds provisions to ensure that corporations as well as individuals are eligible to claim net operating losses as income tax deductions for tax years beginning in 2011 and makes technical corrections related to net operating loss recapture provisions.

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

**LD 147      Resolve, To Provide \$1,000,000 to the Fund for the Efficient Delivery of Local and Regional Services**

**ONTP**

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

This resolve transfers \$1,000,000 to the Fund for the Efficient Delivery of Local and Regional Services on a one-time basis. This fund, which was established to assist those municipalities that collaborate with other municipalities, counties or state agencies to obtain savings in the cost of delivering local and regional governmental services, was previously funded by transfers based on 2% of the funds set aside for state-municipal revenue sharing. That funding mechanism was repealed by the 124th Legislature in Public Law 2009, chapter 213, Part S, section 8. This one-time transfer will reduce the amounts set aside in the Local Government Fund for distribution to municipalities in October 2011 under the main revenue sharing distribution and will not affect amounts to be distributed from the Disproportionate Tax Burden Fund, commonly referred to as "Revenue Sharing II."