

# MAINE STATE LEGISLATURE

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



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

**JOINT STANDING COMMITTEE ON TAXATION**

August 2017

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\*Committee member for a portion of the session

# STATE OF MAINE

128<sup>TH</sup> LEGISLATURE  
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## LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 128<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. An appendix provides a summary of relevant session statistics.

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 128<sup>th</sup> Legislature is Wednesday, November 1, 2017. 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*

infrastructure or otherwise approved by a municipality as a priority project.

### **LD 784      An Act To Prevent Tax Haven Abuse**

**Died Between  
Houses**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TIPPING R JACKSON T	OTP-AM ONTP	

This bill requires corporations that file unitary income tax returns in Maine to include income from certain jurisdictions outside the United States in net income when apportioning income among tax jurisdictions. The State Tax Assessor is required to adopt major substantive rules to determine the income or loss attributable to such corporations and to prevent double taxation or deduction of income and to submit an annual report to the joint standing committee of the Legislature having jurisdiction over taxation matters regarding whether jurisdictions should be added to or deleted from the list of tax havens based on specified criteria.

#### **Committee Amendment "A" (H-169)**

This amendment which is the majority report, changes the schedule for the State Tax Assessor's review of tax-haven jurisdictions to a biennial review and adds an appropriations and allocations section.

This amendment was not adopted.

### **LD 829      An Act To Increase the Income Tax Surcharge Threshold Imposed on Households**

**ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DIAMOND B COREY P	ONTP	

This bill amends the 3% surcharge imposed on individual taxable income over \$200,000 to increase the threshold, for tax years beginning after 2017, to \$300,000 for taxpayers filing as heads of households and to \$400,000 for taxpayers filing married joint returns or surviving spouses permitted to file a joint return. Single individuals and married persons filing separate returns remain subject to the surcharge on taxable income over \$200,000.

See also LDs 291, 337, 571, 708 and 851.

### **LD 851      An Act To Repeal and Subject to Referendum in 2018 the Fund To Advance Public Kindergarten to Grade 12 Education and the 3 Percent Income Tax Surcharge**

**ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SIROCKI H LANGLEY B	ONTP	

Part A of this bill repeals the 3% surcharge imposed on taxable individual income over \$200,000 for tax years beginning in or after 2017 and the Fund to Advance Public Kindergarten to Grade 12 Education, both as enacted in Initiated Bill 2015, chapter 4. The repeal is retroactive to the effective date of the initiated bill.

Part B of this bill enacts a 3% surcharge on taxable individual income over \$200,000 for tax years beginning in or