

# 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*

Part C reduces the rate of the excise tax imposed on motor vehicles for the first and second year from 24 mills to 18 mills and 17 1/2 to 16 mills, respectively; and increases the excise tax for the third, fourth, fifth and sixth year from 13 1/2 mills to 14 mills, 10 mills to 11.5 mills, 6 1/2 mills to 10 mills and 4 mills to 6 mills, respectively. After the sixth year, the mill rate reverts to 4 mills. See also LD 26 and LD 707.

### **Committee Amendment "A" (H-280)**

This amendment incorporates a fiscal note.

This amendment was not adopted.

### **LD 1522 An Act To Authorize a Local Option Sales Tax**

**Accepted Minority  
(ONTP) Report**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SYLVESTER M LIBBY N	OTP-AM ONTP	

This bill allows a municipality to impose a local option sales tax if approved by referendum of the voters in that municipality. The referendum question must identify the rate of the local option sales tax and the purposes for which the revenue will be used. The local option sales tax would be collected and administered by the State in the same manner as the sales and use tax. Revenue from the local option sales tax is distributed 50% to the municipality, 25% to the Local Government Fund for state-municipal revenue sharing throughout the State and 25% to the Regional Economic Development Revolving Loan Program for regional economic development. Revenue received by a municipality may not be used to reduce or eliminate funding otherwise due the municipality under other provisions of law.

### **Committee Amendment "A" (H-279)**

This amendment restricts the local option sales tax authorized by the bill to taxation of sales of prepared food and lodging, provides that the revenue must be placed in a special account to be expended only if specifically authorized by the local legislative body and changes the distribution of revenue from the local option sales tax by increasing from 50% to 65% the amount transferred to the participating municipality and reducing the amount transferred to the Regional Economic Development Revolving Loan Program from 25% to 10%. The amendment also changes the required referendum question to reflect the change in authorized use by a municipality of local option sales tax revenue funds.

This amendment was not adopted.

See also LDs 741, 915, 1230 and 1265.

### **LD 1537 An Act To Replace the Educational Opportunity Tax Credit with the Student Loan Repayment Credit for Maine Residents**

**CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
POULIOT M DOW D		

This bill, which is submitted by the Department of Administrative and Financial Services, makes the current tax credit for educational opportunity inapplicable to tax years beginning on or after January 1, 2017 and creates a new, simplified, nonrefundable tax credit for student loan repayment applicable to tax years beginning on or after January 1, 2017.