

MAINE STATE LEGISLATURE

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STATE OF MAINE
128TH LEGISLATURE
FIRST REGULAR SESSION



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

JOINT STANDING COMMITTEE ON TAXATION

August 2017

STAFF:

JULIE JONES, SENIOR LEGISLATIVE ANALYST

OFFICE OF FISCAL AND PROGRAM REVIEW
5 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1635
<http://legislature.maine.gov/ofpr>

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*Committee member for a portion of the session

STATE OF MAINE

128TH 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 128th 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 128th 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

under current law, is automatically extended to May 1st if the report is not received by April 1st. It also requires a request for further extension to be submitted to the assessor of the taxing jurisdiction before the commitment of taxes.

5. It makes minor changes to the language requiring the municipal tax collector to certify the delinquency between July 1st and July 15th in the same year the taxpayer applies for the reimbursement.
6. It clarifies the definition of "prescription" for purposes of the exemption from the sales and use tax for prosthetic or orthotic devices.
7. It reallocates the statutory provisions governing the phase-out of Maine standard and itemized deductions to those sections of law governing the calculation of Maine standard and itemized deductions.
8. It updates references in the statutory provision governing the subtraction modification that allows an individual who is an owner of an electing S corporation to recapture the bonus depreciation add-backs made by the business in prior years when it was treated as a C corporation for federal and Maine income tax purposes. This change reflects long-standing statutory and administrative practice.
9. It repeals the penalty for falsifying itemized deductions and wages with respect to withholding allowances. This penalty is not currently used, as taxpayers are also subject to penalties for failure to pay taxes timely and for excessive refunds, negligence and fraud.
10. It clarifies that the military retirement plan income tax subtractions apply to benefits received from service in the United States military.

LD 1572

**An Act To Implement Recommendations of the Government Oversight
Committee To Improve the Efficiency and Effectiveness of Legislative
Reviews of Tax Expenditures**

PUBLIC 266

Sponsor(s)

Committee Report

Amendments Adopted

OTP

This bill is submitted by the Government Oversight Committee pursuant to the Maine Revised Statutes, Title 3, section 1001, subsection 2. The purpose of this bill is to make changes to the law to improve the efficiency and effectiveness of tax expenditure evaluations conducted by the Office of Program Evaluation and Government Accountability for the Legislature. The bill removes statutory deadlines to provide more flexibility in scheduling, completion and reporting on full evaluations to allow for a better fit with legislative schedules and to ensure the office can complete a comprehensive and quality review of each program, within the office's available resources.

Enacted Law Summary

Public Law 2017, chapter 266 makes changes to the tax expenditure review laws to improve the efficiency and effectiveness of tax expenditure evaluations conducted for the Legislature by the Office of Program Evaluation and Government Accountability. The bill removes statutory deadlines to provide more flexibility in scheduling, completion and reporting on full evaluations to allow for a better fit with legislative schedules and to ensure the office can complete a comprehensive and quality review of each program, within the office's available resources.