

MAINE STATE LEGISLATURE

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STATE OF MAINE
128TH LEGISLATURE
FIRST SPECIAL, SECOND REGULAR AND SECOND SPECIAL SESSIONS



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

JOINT STANDING COMMITTEE ON TAXATION

October 2018

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STATE OF MAINE

128TH LEGISLATURE

FIRST SPECIAL, SECOND REGULAR AND SECOND SPECIAL SESSIONS



LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contain summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Special, Second Regular and Second Special Sessions 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 dates for non-emergency legislation enacted in the First Special, Second Regular or Second Special Sessions of the 128th Legislature are: Monday, February 5, 2018; Wednesday, August 1, 2018; and Thursday, December 13, 2018, respectively. 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

applies to tax years beginning on or after January 1, 2018.

Part E expands the corporate income tax brackets beginning in 2018. The current rate structure for taxable corporations consists of 3.5% on income not over \$25,000, 7.93% on income not over \$75,000, 8.33% on income not over \$250,000 and 8.93% on income of \$250,000 or more. The rate structure for tax years beginning after December 31, 2017 consists of 3.5% on income not over \$350,000, 7.93% on income not over \$1,050,000, 8.33% on income not over \$3,500,000 and 8.93% on income of \$3,500,000 or more.

Part F amends the Maine College Savings Program to change the name to the Maine Education Savings Program and, as a result of recent federal changes to the Internal Revenue Code, Section 529, qualified tuition programs, extends the ability to use the program for enrollment or attendance expenses at an elementary or secondary public, private or religious school and to receive favorable federal tax treatment on the earnings portions of such disbursements. Part F provides for changes to the Maine Revised Statutes to reflect the change to the name of the program. Part F also conforms the program's state tax treatment of such disbursements to federal law.

Part G retains the Maine exclusion amount under the estate tax at the amount in effect for deaths prior to January 1, 2018, subject to an annual inflation adjustment, and does not conform to the increases in the federal basic exclusion amount.

Part H provides a credit under the income tax and the insurance premium tax equal to the federal credit for employer-paid family and medical leave. The federal credit expires December 31, 2019.

Part I provides funding for computer programming changes required to implement changes made in the law.

Public Law 2017, chapter 474 was enacted as an emergency measure effective September 12, 2018.

LD 1660

Resolve, Authorizing the State Tax Assessor To Convey the Interest of the State in Certain Real Estate in the Unorganized Territory

RESOLVE 36

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HILLIARD G	OTP-AM	H-655

This resolve, which was submitted by the Department of Administrative and Financial Services, authorizes the State Tax Assessor to convey the interest of the State in several parcels of real estate in the Unorganized Territory that were acquired by the State due to nonpayment of property taxes.

Committee Amendment "A" (H-655)

This amendment corrects the property tax amounts due on two parcels of property in the Unorganized Territory.

Enacted Law Summary

Resolve 2017, chapter 36 authorizes the State Tax Assessor to convey the interest of the State in several parcels of real estate in the Unorganized Territory that were acquired by the State due to nonpayment of property taxes.

LD 1669

An Act Regarding Levies Placed on Accounts at Financial Institutions for Unpaid State Income Taxes

ONTP

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