

# MAINE STATE LEGISLATURE

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



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

**JOINT STANDING COMMITTEE ON TAXATION**

August 2019

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# STATE OF MAINE

129<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 129<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 129<sup>th</sup> Legislature is Thursday, September 19, 2019. 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 amendment, which is the minority report of the committee, provides that the state-municipal revenue sharing percentage is 2.5% for fiscal year 2019-20 and 3% for fiscal year 2020-21 and returns to 5% in fiscal year 2021-22.

This amendment was not adopted.

### **Senate Amendment "A" (S-174)**

This amendment removes the emergency preamble and emergency clause.

See also LDs 133, 444 and 1278.

This bill was reported out of committee and then carried over to any special or regular session, or both, of the 129th Legislature on the Special Appropriations Table by joint order, H.P. 1322.

<b>LD 241</b>	<b>An Act To Adjust the Personal Property Tax Exemption for Farm Machinery</b>	<b>CARRIED OVER</b>
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<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'NEIL M CARPENTER M	OTP-AM	H-335

This bill increases the amount of the exemption from personal property taxation for farm machinery from \$10,000 to \$45,000.

### **Committee Amendment "A" (H-335)**

This amendment provides a time frame for implementation of the increase in the property tax exemption for farm machinery, provides administrative provisions for the Bureau of Revenue Services to enforce the exemption and verify required state reimbursement amounts and requires the State to reimburse municipalities for 100% of property taxes lost as a result of the increase in the exemption. This amendment also includes an appropriations and allocations section.

This bill was reported out of committee and then carried over to any special or regular session, or both, of the 129th Legislature on the Special Appropriations Table by joint order, H.P. 1322.

<b>LD 268</b>	<b>An Act To Create a Credit under the Commercial Forestry Excise Tax for Landowners Using Businesses Based in the United States</b>	<b>HELD BY GOVERNOR</b>
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<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
JACKSON T TIPPING R	OTP-AM	S-218 S-277 JACKSON T

This bill provides a credit against the commercial forestry excise tax for landowners who are based in the United States and who employ and retain businesses or contractors that are based in the United States, that employ at least 75% United States residents and that are current in the payment of all state and local taxes. The bill also requires recapture of the credit if a recipient is found to have been ineligible.

### **Committee Amendment "A" (S-218)**

This amendment requires a landowner seeking the credit against the commercial forestry excise tax to obtain affidavits indicating that businesses or contractors retained by the landowner are based in the United States, that at least 75% of their employees are United States residents and that they are current in the payment of all state and

## *Joint Standing Committee on Taxation*

local taxes. It makes other technical changes to the bill.

### **Senate Amendment "A" To Committee Amendment "A" (S-277)**

This amendment changes the starting date for the credit to tax years based on the status of property on or after April 1, 2022 and changes the percentage of employees who must be residents of the United States from 75% to 90% for the first two years of the credit.

### **LD 276      An Act To Provide Equity in the State Income Tax Deduction for Maine      ONTP Public Employees Retirement System Pensions**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MIRAMANT D MCCREIGHT J	ONTP	

This bill provides an income tax deduction for retirement benefits under state, local or federal government retirement plans that are based on employment compensation for which contributions are not made to the federal Social Security system.

See also LD 162.

### **LD 286      An Act To Provide a Sales Tax Exemption for Menstrual Products      CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TEPLER D BREEN C	OTP-AM	H-58

This bill provides a sales tax exemption on the purchase of feminine hygiene products.

### **Committee Amendment "A" (H-58)**

This amendment changes the term used to describe the products subject to exemption and changes the definition to that in the model Streamlined Sales and Use Tax Agreement to simplify multistate administration.

This bill was reported out of committee and then carried over to any special or regular session, or both, of the 129th Legislature on the Special Appropriations Table by joint order, H.P. 1322.

### **LD 335      An Act To Require the State To Distribute 12 Percent of Adult Use      CARRIED OVER Marijuana Retail Sales and Excise Tax Revenue to Generating Municipalities**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WARREN C DESCHAMBAULT S	OTP-AM ONTP	H-484 S-287    SANBORN H

This bill allocates 25% of the gross sales and excise tax revenue generated by adult use marijuana establishments in the State to the municipalities where the revenue was generated and makes a reduction to the amount deposited in the Adult Use Marijuana Public Health and Safety Fund.

### **Committee Amendment "A" (H-484)**