

MAINE STATE LEGISLATURE

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STATE OF MAINE
132ND LEGISLATURE
FIRST REGULAR AND FIRST SPECIAL SESSIONS



Disposition of bills and summaries of all laws enacted or finally passed

JOINT STANDING COMMITTEE ON TAXATION

August 2025

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JOINT STANDING COMMITTEE ON TAXATION

LD 41 Resolve, Authorizing the State Tax Assessor to Convey the Interest of the State in Certain Real Estate in the Unorganized Territory

ENACTED LAW SUMMARY

Resolve 2025, chapter 94 authorizes the State Tax Assessor to convey the interest of the State in several parcels of real estate in the unorganized territory. The resolve also bars employees of the Bureau of Revenue Services within the Department of Administrative and Financial Services and spouses, siblings, parents and children of employees of the bureau from acquiring from the State any of the real property subject to the resolve.

LD 48 An Act to Update References to the United States Internal Revenue Code of 1986 Contained in the Maine Revised Statutes

ENACTED LAW SUMMARY

Public Law 2025, chapter 432 extends conformity of the United States Internal Revenue Code of 1986 to any tax years beginning on or after January 1, 2024 and for any prior tax year as specifically provided by the United States Internal Revenue Code of 1986, as amended.

Public Law 2025, chapter 432 was enacted as an emergency measure effective July 1, 2025.

LD 68 An Act to Amend the State Tax Laws

ENACTED LAW SUMMARY

Public Law 2025, chapter 271 makes the following technical changes to Maine's tax laws.

Part A expands the exception to the requirement that liens are notarized that applies to liens filed by the Department of Administrative and Financial Services, Maine Revenue Services to include those filed pursuant to the Maine Revised Statutes, Title 36, Part 9, thereby including liens filed pursuant to the property tax deferral program.

Part B makes the following changes to the sales tax laws.

1. It limits the sales tax exemption for watercraft or materials used in watercraft sold to or used by a person that is not a resident of this State to exclude the lease or rental of watercraft.
2. It clarifies that, for the purposes of the sales tax exemption for sales sourced to tribal land, the sale of a motor vehicle to a tribal member or a tribal entity is sourced to tribal land if the vehicle is intended to be driven or transported to tribal land immediately upon receipt of the vehicle.
3. It clarifies that the tax levy on casual sales includes casual rentals and applies the existing 15-day safe harbor for the casual rental of living quarters to those rentals.

ENACTED LAW SUMMARIES

JOINT STANDING COMMITTEE ON TAXATION

Part C makes the following changes to the income tax laws.

1. It updates the exclusion from the calculation of payments to the Loring Job Increment Financing Fund to also exclude state income withholding taxes that are based on the gross wages used to calculate the Maine Employment Tax Increment Financing Program benefit.
2. It clarifies that “reviewed year” in the laws governing income taxation of partnerships includes the taxable year of a partnership that files an administrative adjustment request from which federal adjustments arise.
3. It specifies that the original due date for calculating interest and penalties of any partnership income tax as a result of a federal adjustment from a partnership audit or administrative adjustment request is the 15th day of the third month following the end of the taxable year of a partnership that was subject to the partnership-level audit or administrative adjustment request.
4. It corrects a cross-reference in the laws governing employment tax increment financing to reference a qualified Pine Tree Development Zone business.

LD 125 An Act to Increase the Total Amount of Credits Authorized Under the Maine Seed Capital Tax Credit Program

ENACTED LAW SUMMARY

Public Law 2025, chapter 442 provides an increase from \$5,000,000 to \$10,000,000 in the maximum annual amount of tax credit certificates that the Finance Authority of Maine may issue to investors under the Maine Seed Capital Tax Credit Program for investments made in calendar years beginning with 2027.

LD 146 An Act to Increase the Maximum Amount of the Historic Property Rehabilitation Tax Credit That May be Taken in a Year

ENACTED LAW SUMMARY

Public Law 2025, chapter 444 changes the maximum tax credit allowed for certified historic structure rehabilitation projects for the first two years in which a credit may be claimed. For tax years beginning on or after January 1, 2025, it changes the maximum limit from \$5,000,000 in each of the first two years to \$10,000,000 total across the first two years combined. The law makes no changes to the \$5,000,000 maximum tax credit allowed in subsequent years.