

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
ONE HUNDRED AND TWELFTH LEGISLATURE  
SECOND REGULAR SESSION

JOINT STANDING COMMITTEE ON  
TAXATION  
BILL SUMMARY



MAY 1986

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BILL SUMMARIES  
MAY 1986

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature, covering the Second Regular Session of the 112th Legislature. The summaries are arranged by LD number under each committee.

All Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "CA" if it is a committee amendment. If the amendment was adopted in the House, the letter H appears after the sponsor. If it was adopted in the Senate, the letter S appears.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Key to Committee Reports and Floor Action:

OTP	Ought to Pass
OTP-ND	Ought to Pass in New Draft
OTP-ND-NT	Ought to Pass in New Draft, New Title
OTP-AM	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

LD AN ACT TO INCREASE THE MAINE CHILD CARE CREDIT PL 1985  
1826 UNDER THE STATE INCOME TAX c. 766

Sponsor: DIAMOND J, Swazey M, Nelson, Diamond G  
Committee Report: OTP-A

H-562 CA H S  
S-406 TWITCHELL  
S-514 PEARSON H S

SUMMARY: Original bill would have increased state child care credit from 15% of the federal credit to 50% of the federal credit. As amended the bill will phase-in an increase in the child care credit to 16% in tax year 1986, 20% in tax year 1987 and 25% thereafter.

LD AN ACT TO PROVIDE FOR FAIR TREATMENT OF PL 1985  
1827 UNPOWERED FISHING DORIES UNDER THE BOAT EXCISE c. 560  
TAX LAW

Sponsor: COLES, Twitchell, Mayo, Zirnkilton  
Committee Report: OTP-A

H-514 CA H

SUMMARY: Provides that dories, defined as unpowered double-ended boats used exclusively for the transport and storage of fishing gear, shall be taxed at the minimum tax of \$6 regardless of length.

LD AN ACT TO CORRECT SOME INCONSISTENCIES IN THE PL 1985  
1838 LAW RELATING TO THE FINANCING OF SERVICES IN c. 603  
THE UNORGANIZED TERRITORY

Sponsor: MCBREAIRTY, Harper, Ingraham  
Committee Report: OTP-A

H-566 CASHMAN  
H-567 CASHMAN H S  
S-385 CA H S

SUMMARY: Original bill removes provision which permitted Commissioner of Education and Cultural Services to pay 110% of the approved tuition rate for students from the unorganized territory attending schools in municipalities, provides for a transition of county unorganized territory budgets to the State fiscal year and changes the date for the financial report of the fiscal administrator of the unorganized territory to permit the incorporation of up to date information.

Amendment eliminates a separate fund for educational purposes in the unorganized territory and provides that financing of services will be covered completely by appropriations from the General Fund reimbursed by the Unorganized Territory Education and Services Fund, It also provides that income from education related activities should be paid to the Unorganized Territory Education and Services Fund.

LD AN ACT TO REMOVE MAXIMUM ANNUAL LIMITS ON THE ND LD 2285  
1863 CAPTURED ASSESSED VALUES WITHIN TAX INCREMENT  
FINANCING DISTRICTS

Sponsor: MURRAY, Cashman, Jackson, Masterman  
Committee Report: OTP-ND LD 2285

SUMMARY: See new draft, LD 2285.

LD AN ACT TO ENCOURAGE EMPLOYERS TO ASSIST THEIR H-INDEF PP  
1864 EMPLOYEES IN MEETING THEIR CHILD CARE NEEDS AND S-INDEF PP  
EXPENSES

Sponsor: DIAMOND J, Clark N, Mayo, Nelson  
Committee Report: OTP-A

H-579 CA H S

SUMMARY: Would provide income tax credit to employers who assist their employees with child care costs by providing on-site facilities for care of the children of employees or by subsidizing day care for children of their employees at a site outside the place of employment. Committee amendment also included resource and referral services and vouchers and clarified that this credit would be in lieu of deductions attributable to activity for which the credit was claimed.

LD AN ACT TO EXEMPT THE SPEND NUCLEAR FUEL LVWD  
1867 DISPOSAL TRUST FUND FROM STATE TAXATION

Sponsor: TWITCHELL, Walker, Jackson  
Committee Report: LVWD

SUMMARY: Original bill permits an income tax deduction for payments to the Spent Nuclear Fuel Disposal Trust Fund and exempts income to the fund.