

# 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

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.

Amendment proposed by Maine Yankee would have permitted a retroactive deduction for an obligation accrued in 1983 relating to spent fuel expenses and also deductions for post 1983 expenses and the income or gains of the Fund.

LD AN ACT PERMITTING MUNICIPALITIES TO REQUIRE ND LD 2247  
1873 THAT A PAYMENT ON TAXES BE APPLIED TOWARD THE  
OLDEST OUTSTANDING TAXES

Sponsor: RIOUX  
Committee Report: OTP-ND LD 2247

SUMMARY: See new draft, LD 2247.

LD AN ACT TO REQUIRE THE PAYMENT OF SALES AND USE ONTP  
1886 TAX ON ISOLATED TRANSACTIONS INVOLVING THE SALE  
OF PLEASURE BOATS

Sponsor: RYDELL, Hoglund, Cashman, Gauvreau  
Committee Report: ONTP

SUMMARY: Extends the sales tax on isolated transactions involving automobiles and aircraft to include noncommercial watercraft.

LD AN ACT TO REQUIRE LEGISLATIVE REVIEW AND S=ENG W-CA  
1912 APPROVAL OF SALES AND USE TAX EXEMPTIONS EVERY H=ONTP  
5 YEARS

Sponsor: TWITCHELL, Jackson  
Committee Report: ONTP(Maj), OTP-A(Min)

S-441 CA S

SUMMARY: Requires the Taxation Committee to review all sales tax exemptions every five years beginning in 1986. The Committee would make a report recommending whether the exemption should be extended. Unless the exemption was reenacted in 1987, the exemption would terminate. The procedure is modeled upon the sunset review of state agencies conducted each year by the Audit and Program Review Committee.