

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

STATE OF MAINE
ONE HUNDRED AND TWELFTH LEGISLATURE
SECOND REGULAR SESSION

JOINT STANDING COMMITTEE ON
TAXATION
BILL SUMMARY



MAY 1986

PREPARED BY:

Julie S. Jones, Legal Analyst

OFFICE OF POLICY AND LEGAL ANALYSIS
STATE HOUSE, STATION 13 AUGUSTA, MAINE 04333
(207) 289-1670



HELEN T. GINDER, DIRECTOR
HAVEN WHITESIDE, ASST. DIRECTOR
GILBERT W. BREWER
DAVID C. ELLIOTT
MARTHA E. FREEMAN
JERI B. GAUTSCHI
CHRISTOS GIANOPOULOS
WILLIAM T. GLIDDEN, JR.

STATE OF MAINE
OFFICE OF POLICY AND LEGAL ANALYSIS
ROOM 101/107
STATE HOUSE STATION 13
AUGUSTA, MAINE 04333
TEL.: (207) 289-1670

JULIE S. JONES
JOHN B. KNOX
EDWARD POTTER
MARGARET J. REINSCH
LARS H. RYDELL
JOHN R. SELSER
ANDREA L. COLNES, Res. Asst.

ONE HUNDRED AND TWELFTH LEGISLATURE
SECOND REGULAR SESSION

JOINT STANDING COMMITTEE
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

11. Tobacco products tax. Imposes an excise tax on tobacco products, other than cigarettes, in the amount of 25% of the wholesale price. The enacted version of this tax was amended to provide for a tax of 45% of the wholesale price on smokeless tobacco and 12% of the wholesale price on tobacco products intended for smoking.

LD
2394

AN ACT TO MAKE CHANGES IN THE MAINE TAX LAWS
AND TO PROVIDE FOR APPROPRIATIONS FROM THE
GENERAL FUND

H-INDEF. PP
EMERGENCY

Sponsor: CASHMAN, Mayo, Twitchell
Committee Report: New draft of LD 2310

SUMMARY: Minority new draft of LD 2310. It contained the following provisions:

1. Enforcement. Provides four new positions to the Bureau of Taxation for increased tax enforcement.

2. Fuel savings. Deappropriates \$500,000 from previous appropriations which is no longer necessary due to declining fuel prices.

3. Takeout food. Expands application of sales tax to takeout food by including products sold from a retail location which is considered a restaurant and certain prepared foods ready for consumption regardless of where they are sold.

4. Insurance premium tax. Increases rate on domestic insurers to 2% to equal tax on foreign insurers. See also LDs 2101 and 1971.

5. Inheritance tax. Requires efficient settlement of inheritance taxes.

6. Nonresident income taxes. Changes the formula for calculation of income taxes paid by nonresidents.

7. Tobacco products tax. Imposes an excise tax on tobacco products, other than cigarettes, in the amount of 25% of the wholesale price.

8. Corporate income tax. Increases the top two brackets of the corporate income tax from 8.33% to 9.4% and from 8.93% to 10.08%.

9. HOME cap. Places a cap on revenues dedicated to the HOME program of \$2,300,000 for FY 1985-86 and \$2,100,000 for FY 1986-87.