

MAINE STATE LEGISLATURE

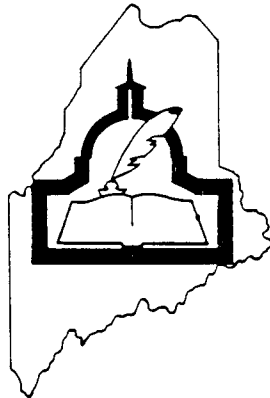
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STATE OF MAINE
ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON
TAXATION
BILL SUMMARY



JUNE 1987

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ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE
BILL SUMMARIES
JUNE 1987

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. The summaries are arranged by LD number under each committee.

All Adopted 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 "COMMITTEE" if it is a committee amendment.

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

Please let us know if you would prefer a different format or additional information and if the summaries are helpful.

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-A	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

LD AN ACT TO PROVIDE A TRADE-IN-CREDIT FOR CAMPER
114 TRAILERS

PL 1987
c. 49

Sponsor: SOUCY, McPherson, Estes
Committee Report: OTP-AM
Amendments Adopted:
H-37 COMMITTEE

SUMMARY: Original bill provides sales tax trade-in credits for camper trailers. When a camper trailer is traded in, a tax shall be levied only upon the difference between the sale price of the purchased property and the sale price of the property taken in trade.

The Committee Amendment extends the sales tax on certain casual sales to include camper trailers.

LD AN ACT TO ESTABLISH A SALES TAX EXEMPTION FOR
120 SALES TO INCORPORATED NONPROFIT HOMES FOR THE
ELDERLY

LVWD

Sponsor: SMALL, Holt, Lebowitz, Martin, J.
Committee Report: LVWD

SUMMARY: This bill is incorporated in LD 1864. It provides a sales tax exemption for non-profit homes for the elderly.

LD AN ACT TO ABOLISH THE WATERCRAFT EXCISE TAX
144

LVWD

Sponsor: CLARK, H., Hussey, Duffy, Usher
Committee Report: LVWD

SUMMARY: Abolishes the watercraft excise tax.

LD AN ACT TO AMEND THE FARM AND OPEN SPACE TAX LAW
150 (REPORTED PURSUANT TO A STUDY BY THE
AGRICULTURAL COMMITTEE)

ONTP

Sponsor:
Committee Report: ONTP

SUMMARY: This bill results from the study done by the Agriculture Committee during the interim on the Farm and Open Space Tax Law.

The study recommended 2 major changes in the law.

1. The first change would allow farms with land holdings between 5 and 10 acres to gain entry into the program. This change would enable small commercial farms some tax relief to encourage them to maintain their land holdings in agricultural production. The income generating requirement for the new category is the stiffest imposed - no less than \$2,500.

2. The second change would reduce the rate of the recapture penalty. Under current law, the penalty is a percentage of the difference between the fair market value of the property when withdrawn from the program and the value under classification. The percentage rate escalates to 30% at 10 years of classification and then the rate declines a percentage point a year over the next 10 years until it drops down to 20%. The study recommended changing the percentage rate from 30% to 20% at the 10-year point and then reducing that rate 1% each year until it drops back down to a minimum 10%.

LD AN ACT RELATING TO THE TAXATION OF TRADE-IN LVWD
154 EQUIPMENT

Sponsor: CALLAHAN, McPherson, Lord, Twitchell
Committee Report: LVWD

SUMMARY: This bill provides a sales tax trade-in credit for "special mobile equipment", primarily construction equipment.

LD AN ACT RELATING TO THE BASE FOR THE STATE H-ONTP
166 EXCISE TAX UNDER THE MOTOR VEHICLE LAWS S-ENG-CA

Sponsor: TWITCHELL
Committee Report: OTP-AM (Majority)
 ONTP (Minority)

SUMMARY: Original bill would change the base for the motor vehicle excise tax from maker's list price to purchase price and impose a cap of \$1,500.

The majority amendment would change the base only on vehicles with a gross weight of 18,000 pounds and would impose a cap of \$1,800.