

MAINE STATE LEGISLATURE

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STATE OF MAINE
119TH LEGISLATURE

FIRST REGULAR SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
TAXATION

AUGUST 1999

Staff:

Julie S. Jones, Legislative Analyst

*Office of Fiscal and Program Review
5 State House Station
Augusta, ME 04333-0005
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MEMBERS:

*Sen. Richard P. Ruhlin, Chair
Sen. Beverly C. Daggett
Sen. S. Peter Mills*

*Rep. Kenneth T. Gagnon, Chair
Rep. Bonnie Green
Rep. Thomas M. Davidson
Rep. Patrick Colwell
Rep. Stephen S. Stanley
Rep. David G. Lemoine
Rep. Kenneth F. Lemont
Rep. Eleanor M. Murphy
Rep. John T. Buck
Rep. Peter E. Cianchette*



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MEMORANDUM

To: Members, Joint Standing Committee on Taxation

From: Julie S. Jones, Legislative Analyst

Date: August, 1999

Re: Bill Summaries, 119th Legislature, 1st Regular Session

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the Joint Standing Committee on Taxation during the 1st Regular Session of the 119th Legislature. The summary describes each bill or order and relevant amendments as well as the final action. Also included is a statistical summary of bill activity by the committee. Please note the effective date for all non-emergency legislation enacted in the 1st Regular Session (unless a later date is specified in a particular law) is September 18, 1999. Joint orders are effective when passed.

The document is organized for convenient reference to information on bills handled by the committee this session. It is organized by bill (LD) number and two indices are located at the back of the document that group bills by subject and by LD number. Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

- CARRIED OVERBill carried over to Second Regular Session*
- CON RES XXX Chapter # of Constitutional Resolution passed by both Houses*
- CONF CMTE UNABLE TO AGREE Committee of Conference unable to agree; bill died*
- DIED BETWEEN BODIES House & Senate disagree; bill died*
- DIED IN CONCURRENCE One body accepts ONTP report; the other indefinitely postpones the bill*
- DIED ON ADJOURNMENT Action incomplete when session ended; bill died*
- EMERGENCY Enacted law takes effect sooner than 90 days*
- FAILED EMERGENCY ENACTMENT/FINAL PASSAGE Emergency bill failed to get 2/3 vote*
- FAILED ENACTMENT/FINAL PASSAGE Bill failed to get majority vote*
- FAILED MANDATE ENACTMENT Bill imposing local mandate failed to get 2/3 vote*
- NOT PROPERLY BEFORE THE BODY Ruled out of order by the presiding officers; bill died*
- INDEF PP Bill Indefinitely Postponed*
- ONTP Ought Not To Pass report accepted*
- OTP ND Committee report Ought To Pass In New Draft*
- OTP ND/NT Committee report Ought To Pass In New Draft/New Title*
- P&S XXX Chapter # of enacted Private & Special Law*
- PUBLIC XXX Chapter # of enacted Public Law*
- RESOLVE XXX Chapter # of finally passed Resolve*
- UNSIGNED Bill held by Governor*
- VETO SUSTAINED Legislature failed to override Governor's Veto*
- READ AND PASSED Joint Order passed by the House and Senate*
- PASSED AS AMENDED Joint Order passed as amended by the House and Senate*

A complete summary of bills for all committees will be available in the very near future. Copies will be on file in the Law and Legislative Reference Library and Senate and House offices. You will also soon be able to access these bill summaries from our website.

I hope you find this information useful. If you have any questions or suggestions, please do not hesitate to contact this office.

Best wishes for an enjoyable summer.

LD 20 **An Act to Prohibit the Taxing of Veterans' Pensions** **ONTP**

<u>Sponsor(s)</u> GAGNE	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 20 proposed to provide an income tax deduction for income attributable to a pension or compensation received due to the taxpayer's status as a veteran.

LD 56 **An Act to Repeal the Snack Tax** **DIED BETWEEN BODIES**

<u>Sponsor(s)</u> LABRECQUE MACKINNON	<u>Committee Report</u> OTP-AM MAJ ONTP MIN	<u>Amendments Adopted</u>
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LD 56 proposed to eliminate the sales tax on snack foods.

LD 62 **An Act to Exempt from the Sales Tax Nonprofit Organizations That Provide Assistance to Children with Dyslexia** **ONTP**

<u>Sponsor(s)</u> TREADWELL MITCHELL B	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 62 proposed to provide a sales tax exemption for incorporated nonprofit organizations that provide free clinical assistance to school-age children with dyslexia. Organizations that would have been covered by this bill were included in LD 379.

LD 63 **An Act to Exempt Leased Equipment from Sales Tax** **ONTP**

<u>Sponsor(s)</u> BRUNO	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 63 proposed to exempt from the sales tax leases of machinery and equipment for use by the lessee directly and primarily in either the production of tangible personal property intended to be sold or leased ultimately for final use or consumption or the production of tangible personal property pursuant to a contract with the United States Government.

LD 73 **An Act to Provide a State Income Tax Checkoff for Contributions to the Maine Veterans' Memorial Cemetery** **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GOOLEY BENOIT	ONTP MAJ OTP-AM MIN	

LD 73 proposed to provide an income tax checkoff for a contribution for the benefit of the Veterans' Memorial Cemetery.

LD 85 RESOLUTION, Proposing an Amendment to the Constitution of Maine ONTP
to Provide Tax Relief for Maine Citizens

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PLOWMAN	ONTP	

LD 85 proposed a Constitutional amendment to allow the property taxes on certain homesteads to be frozen if the property owner is a Maine resident who is 65 years of age or older, occupies the homestead property and earns less than 110% of the poverty income level.

LD 94 An Act to Provide a Property Tax Abatement for a Residential Structure ONTP
Destroyed by Fire or Natural Disaster

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BROOKS	ONTP	

LD 94 proposed to provide for a property tax abatement for a residential structure that is uninhabitable for at least one month due to fire or natural disaster. The abatement would be prorated based on the portion of the year that the structure is uninhabitable.

LD 96 An Act to Create a Civil Violation for the Misuse of a Sales Tax ONTP
Registration Certificate Number

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GAGNON CAREY	ONTP	

LD 96 proposed to make it a civil violation to misuse a sales tax registration certificate, sales tax registration certificate number or exempt status to avoid the proper payment of sales tax.

LD 101 An Act to Provide a State Income Tax Deduction for Rent ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
AHEARNE PENDLETON	ONTP	

LD 101 proposed to create a state income tax deduction for rent paid by a person who earns less than \$25,700 and who uses the rental property as that person's dwelling. The deduction would be the lesser of the rent paid during the taxable year or