

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
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Augusta, ME 04333-0005
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Sen. Beverly C. Daggett
Sen. S. Peter Mills*

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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 174 **An Act to Modify the Eligibility Standards for Medicaid and Elderly Low-Cost Drug Programs by Discounting the Amount Spent for Prescription Drugs from the Computation of Eligible Income** **ONTP**

<u>Sponsor(s)</u> RUHLIN	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 174 proposed to expand eligibility for the elderly low cost drug program by excluding from household income amounts spend on unreimbursed direct medical expenses for prescription drugs. The bill also proposed to require the Department of Human Services to adopt a rule that would require eligibility for the Medicaid program to be determined by allowing a deduction from income for unreimbursed medical expenses for prescription drugs.

Bills relating to the elderly low cost drug program were heard jointly with the Joint Standing Committee on Health and Human Services. Please see bills indexed for that Committee.

See also the “Part 2” budget bill, PL 1999, chapter 401, Part KKK.

LD 176 **An Act to Provide Certain Small Businesses a Tax Credit Against Health Care Costs** **ONTP**

<u>Sponsor(s)</u> MACKINNON MACDOUGALL	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 176 proposed to provide an income tax credit for businesses that provide health insurance benefits for full-time employees and their dependents and that have fewer than 50 employees. The credit would have been equal to 25% of the costs of providing the health insurance.

LD 177 **An Act to Extend the Tree Growth Plan Filing Deadline** **ONTP**

<u>Sponsor(s)</u> MILLS	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 177 proposed to amend the Maine Tree Growth Tax Law by extending the deadline from April 1, 1999 to April 1, 2001 for filing a sworn statement that a forest management and harvest plan has been prepared. (See LD 897)

LD 182 **An Act to Eliminate Duplicate Benefits from the Tax Increment Financing and Business Equipment Reimbursement Programs** **ONTP**

<u>Sponsor(s)</u> MILLS	<u>Committee Report</u> ONTP MAJ OTP-AM MIN	<u>Amendments Adopted</u>
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LD 182 proposed to prohibit reimbursement of property taxes under the business equipment tax reimbursement program if the taxes also are reimbursed under a tax increment financing district agreement.

LD 183 **An Act to Exempt Food and Lodging Property from the Business Equipment Tax Reimbursement Program** **ONTP**

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

LD 183 proposed to exempt certain property used primarily for providing food and lodging from reimbursement under the business equipment tax reimbursement, or "BETR," program.

LD 184 **An Act to Exempt Retail Store Property from the Business Equipment Tax Reimbursement Program** **ONTP**

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

LD 184 proposed to exempt property that is used primarily for the distribution, presentation or sale of retail goods from reimbursement under the business equipment tax reimbursement, or "BETR", program.

LD 192 **An Act to Exempt Articles of Clothing Costing Less than \$200 from the Sales Tax** **ONTP**

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

LD 192 proposed to exempt clothing having a taxable value of less than \$200 per item from the sales tax.

LD 193 **An Act to Eliminate the Sales Tax on Textbooks** **ONTP**

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

LD 193 proposed to exempt from the sales tax textbooks or text substitutes purchased for use by a student.

LD 212 **An Act to Increase the Property Tax Exemptions for a Parsonage** **DIED BETWEEN BODIES**