

# 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*

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5 State House Station  
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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  
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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 OVER .....Bill 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 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**

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

LD 212 proposed to increase the property tax exemption for a parsonage from \$20,000 to \$100,000 for real property and from \$6,000 to \$50,000 for personal property.

**LD 213                      An Act to Exempt Sales of Clothing From Tax for One Week in August                      ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SNOWE-MELLO	ONTP	

LD 213 proposed an exemption from the sales tax for purchases of items of clothing with a value of \$50 or less during the 3rd week of August.

**LD 223                      An Act to Release Estate Tax Liens on Certain Real Estate                      PUBLIC 38**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LAVERDIERE	OTP	H-54 GAGNON

LD 223 proposed to release estate tax liens that attached to real property sold by a personal representative, trustee or surviving joint tenant prior to September 30, 1989, so that all property sales since the effective date of the estate tax will be treated the same for purposes of the estate tax lien. The bill would only affect liens that attached, as a result of statutory changes in 1988 and 1989, during the period from August 4, 1988 to September 29, 1989, but not before or after that time period.

**House Amendment “A” (H-54)** proposed to clarify the language of the bill.

***Enacted Law Summary***

Public Law 1999, chapter 38 released estate tax liens that attached to real property sold by a personal representative or surviving joint tenant prior to September 30, 1989, so that all property sales since the effective date of the estate tax will be treated the same for purposes of the estate tax lien. The law only affects liens that attached, as a result of statutory changes in 1988 and 1989, during the prior from August 4, 1988 to September 29, 1989, but not before or after that time period.

**LD 226                      An Act to Decrease Individual Income Tax by 20%                      ONTP**

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

LD 226 proposed to create revenue targets for the individual income tax. If individual income tax revenues exceeded the targets, the State Tax Assessor would be required to reduce the income tax rates by an amount based upon the excess revenue until there has been a 20% reduction from current tax rates.