

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 263 proposed to increase the cigarette tax by 31.5 mills per cigarette or 63 cents per 20-cigarette pack.

LD 279 **An Act to Adjust the Taxation of Public Pensions** **ONTP**

<u>Sponsor(s)</u> FULLER DAGGETT		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 279 proposed to provide an income tax deduction of 40% of state and federal retirement pension benefits to the extent included in federal adjusted gross income. See LD 1268.

LD 283 **An Act to Protect Municipalities from Property Tax Loss when Land is Acquired by the State** **DIED BETWEEN BODIES**

<u>Sponsor(s)</u> CARR KIEFFER		<u>Committee Report</u> ONTP MAJ OTP-AM MIN		<u>Amendments Adopted</u>
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LD 283 proposed to require the State to reimburse municipalities and the unorganized territory for property tax revenue lost as a result of the State acquiring land or interests in land after October 1, 1999.

LD 285 **An Act to Amend the Required Sales Tax on the Purchase of Firearms** **ONTP**

<u>Sponsor(s)</u> WHEELER G		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 285 proposed to provide that the sales tax due on the sale of a firearm is calculated on the difference between the sale price and the value of any firearm that is traded in on that purchase.

LD 291 **An Act to Provide a State Income Tax Credit for the Costs of Health Insurance Paid by Individuals** **ONTP**

<u>Sponsor(s)</u> MAYO		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 291 proposed to establish a state income tax credit for up to 50% of the health insurance premiums paid by individuals.

LD 297 **An Act to Exempt Capital Gains from the Maine Income Tax** **CARRIED OVER**

<u>Sponsor(s)</u> BUCK	<u>Committee Report</u>	<u>Amendments Adopted</u>
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LD 297 proposed to exempt from state taxation all income derived from capital gains for individuals and corporations.
This bill was carried over to the Second Regular Session.

LD 317 **An Act to Exclude Retail Stores from Participation in Tax Increment Financing Districts** **ONTP**

<u>Sponsor(s)</u> MILLS	<u>Committee Report</u> ONTP MAJ OTP MIN	<u>Amendments Adopted</u>
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LD 317 proposed to exclude property used for retail purposes from a tax increment financing district.

LD 318 **An Act to Allow Counties to Retain a Larger Share of the Real Estate Transfer Tax** **INDEF PP**

<u>Sponsor(s)</u> GOLDTHWAIT MADORE	<u>Committee Report</u> OTP-AM MAJ ONTP MIN	<u>Amendments Adopted</u>
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LD 318 proposed to increase the portion of the real estate transfer tax that is retained by the county by 3% each year for 5 years to a maximum of 25%.

LD 328 **An Act to Establish Parity in Property Taxation for Commercial Dairy Farmers** **ONTP**

<u>Sponsor(s)</u> MILLS	<u>Committee Report</u> ONTP MAJ OTP-AM MIN	<u>Amendments Adopted</u>
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LD 328 proposed to provide a 50% property tax rebate to commercial dairy farms.

LD 329 **An Act to Exclude Food and Lodging Establishments from Participating in Tax Increment Financing Districts** **ONTP**

<u>Sponsor(s)</u> MILLS	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 329 proposed to exclude property used for the provision of food and lodging to the public from a tax increment financing district.