

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals  
(may include minor formatting differences from printed original)

STATE OF MAINE  
119TH LEGISLATURE

FIRST REGULAR SESSION

BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
TAXATION

AUGUST 1999

*Staff:*

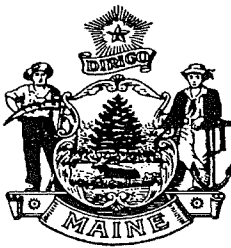
*Julie S. Jones, Legislative Analyst*

*Office of Fiscal and Program Review  
5 State House Station  
Augusta, ME 04333-0005  
(207)287-1635*

**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*



MAINE STATE LEGISLATURE  
Office of Fiscal and Program Review  
5 State House Station  
Augusta Maine 04333-0005  
TEL: (207) 287-1635  
FAX: (207) 287-6469

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 485**

**An Act to Exempt Military Retirees from State Income Taxes**

**DIED BETWEEN  
BODIES**

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

LD 485 proposed to exempt military retirement benefits from the Maine income tax. Also see LD 1268.

**LD 489**

**An Act to Change the Homestead Exemption to 7% of Just Value**

**ONTP**

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

LD 489 proposed to change the Maine resident homestead property exemption from \$7,000 per homestead to 7% of the just value of the homestead.

**LD 508**

**An Act to Exempt Clothing from the Sales Tax**

**ONTP**

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

LD 508 proposed to exempt sales of clothing from the sales tax.

**LD 519**

**An Act to Eliminate the Local Property Tax on Homes for Individuals 65 Years of Age or Older**

**ONTP**

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

LD 519 proposed to exempt from taxation property containing a principal dwelling and up to 10 contiguous acres owned and occupied by a citizen of this State who is at least 65 years of age and a permanent resident of this state and if all adults domiciled with that person are at least 65 years of age.

**LD 521**

**An Act to Decrease the Mahogany Quahog Tax from \$1.20 per Bushel to \$0.40 per Bushel**

**ONTP**

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

LD 521 proposed to lower the amount of tax on mahogany quahogs from \$1.20 per bushel to 40¢ per bushel and dedicate the money collected to quahog industry for research, sales and health purposes.

**LD 534**                      **An Act to Bring Equity to the Vehicle Excise Tax**                      **ONTP**

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

LD 534 proposed to change the method of computing the excise tax that is levied on motor vehicles and campers by requiring that the excise tax for all motor vehicles and campers be based upon the purchase price of the vehicle rather than the maker's list price.

**LD 542**                      **An Act to Increase the Income Eligibility Limits for the Elderly Low Cost Drug Program**                      **ONTP**

<u>Sponsor(s)</u> FRECHETTE MURRAY		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
------------------------------------------	--	---------------------------------	--	---------------------------

LD 542 proposed to increase by 25% the income eligibility limitations for the elderly low cost drug program.

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 544**                      **An Act to Value Homestead Exemption Farm Land at Current Use**                      **CARRIED OVER**

<u>Sponsor(s)</u> GREEN KILKELLY		<u>Committee Report</u>		<u>Amendments Adopted</u>
----------------------------------------	--	-------------------------	--	---------------------------

LD 544 proposed to require a tax assessor, for the purpose of a homestead property tax exemption, to value agricultural land based on the land's current use. The bill was intended to establish a current use valuation for agricultural land.

This bill was carried over to the Second Regular Session. Review of LD 544 was included in a wider review of issues related to land development pressures. See LD 304, enacted as Resolve 1999, chapter 63, in bill summaries for State and Local Government Committee.

**LD 545**                      **An Act to Increase the Homestead Tax Exemption**                      **ONTP**

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