

STATE OF MAINE 119TH LEGISLATURE

FIRST REGULAR SESSION

BILL SUMMARIES JOINT STANDING COMMITTEE ON TAXATION

AUGUST 1999

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 lst 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 lst 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	n
CON RES XXX Chapter # of Constitutional Resolution passed by both House	s
CONF CMTE UNABLE TO AGREE Committee of Conference unable to agree; bill died	1
DIED BETWEEN BODIES	1
DIED IN CONCURRENCE One body accepts ONTP report; the other indefinitely postpones the bil	1
DIED ON ADJOURNMENT	
EMERGENCY	
FAILED EMERGENCY ENACTMENT/FINAL PASSAGEEmergency bill failed to get 2/3 vote	
FAILED ENACTMENT/FINAL PASSAGE	
FAILED MANDATE ENACTMENTBill imposing local mandate failed to get 2/3 vote	; 0
NOT PROPERLY BEFORE THE BODY	
INDEF PPBill Indefinitely Postponed	
ONTP	1 2
OTP ND/NT Committee report Ought ToPass In New Draft/New Title	
P&S XXXChapter # of enacted Private & Special Law	
PUBLIC XXXChapter # of enacted Public Law	
RESOLVE XXX Chapter # of finally passed Resolve	2
UNSIGNEDBill held by Governor	r
VETO SUSTAINED Legislature failed to override Governor's Veto	
READ AND PASSEDJoint Order passed by the House and Senate	
PASSED AS AMENDEDJoint Order passed as amended by the House and Senate	2

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 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	
	Sponsor(s) Committee Report Amendments Adopted	

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.

ONTP

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

Sponsor(s)	Committee Report	Amendments Adopted
FRECHETTE	ONTP	
MURRAY		

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.

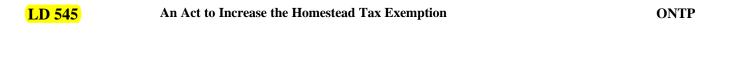
KILKELLY

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

Sponsor(s)	Committee Report	Amendments Adopted
GREEN	_	
KILKELLY		

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.



Committee Report

ONTP

Sponsor(s)

LOVETT

Amendments Adopted

LD 545 proposed to increase the homestead exemption from \$7,000 to \$20,000.

LD 572 An Act to Amend the Veterans' Property Tax Exemption ONTP

Sponsor(s)	Committee Report	Amendments Adopted
GERRY	ONTP	
BENNETT		

LD 572 proposed to increase property tax exemptions for veterans and their survivors by \$2,000 and to eliminate just value as the basis for the exemption

LD 579

An Act to Encourage Contributions to Family Development Account PUBLIC 475 Reserve Funds

Sponsor(s)	Committee Report	Amendments Adopted
KONTOS	OTP-AM	S-84
MURPHY E		

LD 579 proposed to create an income tax credit of up to \$25,000 for taxpayers who make contributions to family development account reserve funds.

Committee Amendment "A" (S-84) replaced the original bill. The amendment clarified the intent of the original bill by correcting references to the agency administering family development reserve accounts, providing that only one credit may be claimed by return, ensuring that a contribution eligible for a credit may not also be eligible for an itemized deduction, providing that the credit is not refundable and providing an application date of January 1, 2000. The amendment also proposed to update references in the statutes to periodic statutory review of income tax expenditures.

Enacted law summary

Public Law 1999, chapter 475 creates an income tax credit of up to \$25,000 for taxpayers who make contributions to family development account reserve funds.

LD 582	An Act to Increase Income Tax Credit for Child Care Expenses			ONTP
	<u>Sponsor(s)</u> DOUGLASS	Committee Report ONTP	Amendments Adopted	

LD 582 proposed to increase the income tax credit for child care expenses from 25% to 50% of the federal tax credit allowable for child and dependent care expenses.

LD 587 An Act to Ameliorate Penalties for Late Filing of Municipal Tax Returns PUBLIC 487