

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
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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 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 1501 **An Act to Amend the Maine Tree Growth Tax Law** **ONTP**

<u>Sponsor(s)</u> BENNETT		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1501 proposes to amend the Maine Tree Growth Tax Law by eliminating the requirement that a forest management and harvest plan prepared by a landowner be reviewed and certified by a licensed professional forester.

LD 1518 **An Act to Establish a Sales Tax Exemption for Sales to Volunteer Organizations that Raise Funds to Benefit Local Charities** **ONTP**

<u>Sponsor(s)</u> ETNIER		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1518 proposed to establish a sales tax exemption for volunteer organizations that raise funds to benefit local charities.

LD 1521 **An Act to Provide an Income Tax Deduction for the Purchase of Alternative Energy Equipment** **ONTP**

<u>Sponsor(s)</u> GAGNE FERGUSON		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1521 proposed to provide an income tax deduction of 10% of the purchase price for wood, solar, wind or any other type of alternative energy equipment.

LD 1522 **An Act to Eliminate the Income Tax, Sales Tax and Corporate Income Tax and Replace Them with a Flat Transaction Tax** **ONTP**

<u>Sponsor(s)</u> VOLENIK		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1522 is a concept draft that proposed to repeal the state individual and corporate income tax and the sales tax and replace them with a single tax on all business and financial transactions except bank deposits.

LD 1524 **An Act to Include the Income of a Lessee for the Purpose of Determining Eligibility in Farm and Open Space Tax Laws** **PUBLIC 449**

<u>Sponsor(s)</u> JONES		<u>Committee Report</u> OTP		<u>Amendments Adopted</u> S-385 MICHAUD
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LD 1524 proposed to permit owners of farmland to qualify for the farm and open space law based on the farming income of either the owner or lessee of the land.

Senate Amendment "B" (S-385) proposed to add a mandate preamble to the bill to relieve the State of the need to reimburse municipalities for any administrative costs associated with implementing the legislation.

Enacted law summary

Public Law 1999, chapter 449 permits owners of farmland to qualify for the farm and open space law based on the farming income of either the owner or lessee of the land.

LD 1540 An Act to Create a Historic Preservation Tax Credit INDEF PP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TRIPP LIBBY	OTP-AM	

LD 1540 proposed to establish a 20% income tax credit for qualified expenditures equal to or exceeding \$5,000 for the rehabilitation of income-producing historic properties that are listed in or eligible for the National Register of Historic Places.

Committee Amendment "A" (H-492) proposed to provide a state income tax credit equal to the federal income tax credit for rehabilitation of certified historic structures. The credit would be limited to \$100,000 per taxpayer, be nonrefundable and subject to the same recapture provisions as apply under federal law.

See also the "Part 2" budget bill, PL 1999, chapter 401, Part RRR.

LD 1542 An Act to Extend the Property Tax Exemption to Veterans of the Berlin Crisis ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MCKEE NUTTING J	ONTP	

LD 1542 proposed to extend veterans' property tax exemptions to include veterans who served during the Berlin Crisis between 1961 and 1962.

See also LD 1938, Public Law 1999, chapter 462 under the summaries for the Joint Standing Committee on Legal and Veterans Affairs.

LD 1556 An Act Relating to Property Tax Exemptions and Service Charges ONTP

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