

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:

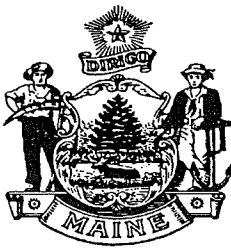
Julie S. Jones, Legislative Analyst

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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 1851 **An Act to Amend the Laws Pertaining to Taxation of Recreational Vehicles** **ONTP**

<u>Sponsor(s)</u> NASS		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1851 proposed to require the owner of a camper trailer to decide by April 1st whether the camper trailer will be subject to personal property tax or excise tax. It would also subject nonresidents to personal property tax or excise tax if the vehicle or camper trailer other than an automobile, truck or truck tractor remains in this State for a period of 6 months or longer.

LD 1852 **An Act to Create Tax Fairness for Private Purchases of Health Insurance** **ONTP**

<u>Sponsor(s)</u> BERRY R NUTTING J		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1852 proposed a state income tax deduction for health insurance premiums.

LD 1855 **An Act to Establish a New Rate for Excise Taxes of Vehicles** **ONTP**

<u>Sponsor(s)</u> JOY		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1855 proposed to calculate the excise tax for a motor vehicle based upon a straight line formula that begins with \$250 in excise tax for a motor vehicle in its first or current year of model and decreases every year ending up at \$15 for a motor vehicle in its 6th or later year of model.

LD 1861 **An Act to Deter Export of Unprocessed Timber and Increase Maine Employment in Timber Harvesting and Processing** **ONTP**

<u>Sponsor(s)</u> VOLENIK		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1861 proposed to establish a registry of wood product buyers to track the sale of wood products. The bill also proposed to make land ineligible for tree growth tax classification if the unprocessed wood on the parcel is sold to a buyer outside the United States, if alien labor is used on the parcel in a county where unemployment exceeds 4% or if the landowner fails to report the identity of buyers of wood products.

LD 1866 **An Act to Reform the Maine Tree Growth Tax Law** **ONTP**

Sponsor(s)
VOLENIK

Committee Report
ONTP

Amendments Adopted

LD 1866 proposed to establish specific criteria for forest management plans that are necessary to qualify for tree growth classification under the Maine Tree Growth Tax Law. These criteria were intended to ensure timber stand maintenance or improvement for sustained yield. This bill proposed to require the Maine Forest Service to conduct periodic, random audits to determine compliance with the plans and to report the results to the State Tax Assessor.

LD 1872

An Act to Establish Municipal Cost Components for Unorganized Territory Services to be Rendered in Fiscal Year 1999-00

**P & S 25
EMERGENCY**

Sponsor(s)

Committee Report
OTP-AM

Amendments Adopted

H-386
H-545 GAGNON
S-255 GOLDTHWAIT

LD 1872 proposed to establish municipal cost components for state and county services provided to the unorganized territory that would be paid for by a municipality. The municipal cost components constitute the property tax for the unorganized territory.

Committee Amendment "A" (H-386) proposed to increase the amount authorized for property tax assessment to provide for the possible deorganization of the Town of Madrid. The amendment also proposed to decrease the amount authorized for Hancock County to reflect the availability of surplus funds and increase the amount authorized for Somerset County to provide for the acquisition of a fire truck.

House Amendment "A" (H-545) proposed to provide that the Somerset County commissioners may not spend more than \$100,000 from amounts made available by this bill for the acquisition of a fire truck for Rockwood.

Senate Amendment "A" to Committee Amendment "A" (S-255) proposed to increase the amount of county reimbursement for services for Hancock County from \$46,136 to \$51,136. The increase of \$5,000 would be used for the Eagle Island ferry service.

Enacted law summary

Private and Special Law 1999, chapter 25 established the municipal cost components for state and county services provided to the unorganized territory that would be paid for by a municipality. A clerical error in the amount identified for "Property Tax Assessment - Operations" was corrected in Public Law 1999, chapter 510. Chapter 25 was an emergency measure and took effect May 21, 1999.

LD 1874

An Act to Provide a Permanent Source of Funding for the Land for Maine's Future Fund

ONTP

Sponsor(s)
KONTOS

Committee Report
ONTP

Amendments Adopted

LD 1874 proposed to provide that 1% of the proceeds from the real estate transfer tax, which otherwise would be deposited in the General Fund, must be deposited in the Land for Maine's Future Fund to provide funding for the acquisition of public lands.