

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*

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Rep. Bonnie Green
Rep. Thomas M. Davidson
Rep. Patrick Colwell
Rep. Stephen S. Stanley
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Rep. Eleanor M. Murphy
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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.

3. The transfer to GPA would not include funds dedicated to municipal revenue sharing;
4. That the tax rate could not be lowered if the tax rate was 5% or lower or if GPA provided 51% or less of the State's kindergarten, elementary and secondary school actual operating and program costs and debt service; and
5. That any funds transferred to the Maine Rainy Day Fund under the law for the fiscal year ending June 30, 2000 be transferred to GPA.

This bill was jointly referred to the Joint Standing Committee on Taxation and the Joint Standing Committee on Education and rereferred to the Joint Standing Committee on Appropriations and Financial Affairs.

LD 2241 **Resolve to Modify the State Valuation for the Sappi Plant in the City of Westbrook and the Town of Livermore Falls for Purposes of Education Funding** **RESOLVE 77**

| | | |
|------------------------------|-----------------------------------|------------------------------------|
| <u>Sponsor(s)</u> MICHAUD | <u>Committee Report</u> OTP-AM | <u>Amendments Adopted</u> S-426 |
|------------------------------|-----------------------------------|------------------------------------|

LD 2241, reported pursuant to joint order, proposed to establish the 1999 state valuation, for purposes of calculation of school appropriations, for the Sappi Fine Paper North America plant located in the City of Westbrook at \$140,000,000 for fiscal year 1999-00 and appropriates funds for payment of additional school subsidy amounts.

Senate Amendment “A” added a provision establishing the 1999 state valuation, for the purposed of calculation of school appropriations, for the property of Northeast Empire Limited Partnership in the Town of Livermore Falls at \$23,809,523 and appropriates funds for payment of additional school subsidy amounts.

Enacted law

Resolve 1999, chapter 77 establishes reduced 1999 state valuations for the City of Westbrook and the Town of Livermore Falls and appropriates funds for the payment of additional school subsidy payments. Also see LD 2211, Resolve 1999, chapter 54.

LD 2256 **An Act to Conform the Tax Laws of this State for 1998 With the United States Internal Revenue Code** **CARRIED OVER**

| | | |
|-----------------------------|-------------------------|---------------------------|
| <u>Sponsor(s)</u> GAGNON | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-----------------------------|-------------------------|---------------------------|

LD 2256 proposed to establish full conformity in the Maine income tax laws for the health insurance deduction for self-employed individuals and their dependents.

This bill was carried over to the Second Regular Session.

SP 771 **Joint Order - Relative to the Commission to Study Single-sales Factor Apportionment** **PASSED AS AMENDED**

Sponsor(s)
RUHLIN

Committee Report
PASSED AS AMENDED

Amendments Adopted
S-452

This Joint Order establishes the Commission to Study Single-sales Factor Apportionment used to apportion the business income of corporations with business activities in the state and in other states. The Commission is required to report to the Second Regular Session of the 119th Legislature.

Senate Amendment "B" (S-452) proposed reimbursement of expenses for public commission members not reimbursed by their employees and changes the reporting date to December 1, 1999.

SP 860

Ordered, the House concurring that the Joint Standing Committee on Taxation study and report out to the Senate in the Second Regular Session of the 119th Legislature a bill on the issue of the pension equity

**READ AND
PASSED**

Sponsor(s)
RUHLIN

Committee Report
READ AND PASSED

Amendments Adopted

This Joint Order requires the Joint Standing Committee on Taxation to study and report legislation to the Second Regular Session of the 119th Legislature relating to pension equity under the income tax.