

# MAINE STATE LEGISLATURE

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*State Of Maine  
120th Legislature*

*Second Regular Session*

*Bill Summaries*

*Joint Standing Committee  
on  
Taxation*

*May 2002*

**Members:**

*Sen. Kenneth T. Gagnon, Chair  
Sen. Kenneth F. Lemont  
Sen. Richard Kneeland*

*Rep. Bonnie Green, Chair  
Rep. Stephen S. Stanley  
Rep. Rosita Gagne*

*Rep. Joseph C. Perry  
Rep. Bernard E. McGowan  
Rep. Janet L. McLaughlin  
Rep. Eleanor M. Murphy  
Rep. John T. Buck  
Rep. Randall L. Bumps  
Rep. David E. Bowles*

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Maine State Legislature
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120th Legislature
Second Regular Session

Summary Of Legislation Before The Joint Standing Committees
May 2002

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing select committees of the Maine Legislature this past session.

The document is organized for convenient reference to information on bills considered by the committees. It is arranged alphabetically by committee name and within committees by bill (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:

- 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
PASSED..... Joint Order passed in both bodies
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

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is July 25, 2002.

Patrick T. Norton, Interim Director
Offices located in Room 215 of the Cross Office Building

## Joint Standing Committee on Taxation

**Committee Amendment “A” (H-770)** proposed to add a fiscal note to the resolve.

### *Enacted Law Summary:*

Resolve 2001, chapter 73 authorizes the State Tax Assessor to convey the interest of the State in several parcels of real estate in the Unorganized Territory.

**LD 1870**

**An Act to Make Minor Substantive Changes to the Tax Laws**

**PUBLIC 526**

<u>Sponsor(s)</u> GAGNON		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> S-429
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LD 1870 proposed to accomplish the following.

1. It proposed, in response to a court decision, to amend the grounds for imposing a 6-year statute of limitations for tax assessments based on information not reported on a tax return.
2. It proposed to amend the sales tax law to make it clear that the tax applies to the rental of digital video discs and similar items as well as to the rental of video tapes.
3. It proposed to repeal the statutory provisions requiring cigarette and tobacco product distribution license fees because the fee generates less revenue than the costs of incorporating it into the revenue database.
4. It proposed to amend the income tax credit provided in the Maine Revised Statutes, Title 36, section 5219-R to provide that a credit for rehabilitation of historic structures is not allowed for expenditures incurred prior to January 1, 2000 for tax years beginning on or after January 1, 2001 in order to ensure that the credit is not available for expenditures undertaken in years before the credit was enacted.

**Committee Amendment “A” (S-429)** proposed to strike a provision from the bill amending the application of the 6-year statute of limitations for tax assessments based on information not reported on a tax return.

### *Enacted Law Summary:*

Public Law 2001, chapter 526 makes minor substantive changes to the tax laws. It accomplishes the following.

1. It amends the sales tax law to make it clear that the tax applies to the rental of digital video discs and similar items as well as to the rental of video tapes.
2. It repeals the statutory provisions requiring cigarette and tobacco product distribution license fees.
3. It amends the income tax credit provided in the Maine Revised Statutes, Title 36, section 5219-R to provide that a credit is not allowed for expenditures incurred prior to January 1, 2000 for tax years beginning on or after January 1, 2001.