

MAINE STATE LEGISLATURE

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*State Of Maine
121st Legislature*

First Regular Session

Bill Summaries

*Joint Standing Committee
on
Taxation*

July 2003

Members:

*Sen. Stephen S. Stanley, Chair
Sen. Ethan Strimling
Sen. Richard A. Nass*

*Rep. David G. Lemoine, Chair
Rep. Joseph C. Perry
Rep. Bernard E. McGowan
Rep. Deborah L. Simpson
Rep. Arthur L. Lerman
Rep. Edward J. Suslovic
Rep. Harold A. Clough
Rep. Jonathan T. E. Courtney
Rep. Earle L. McCormick
Rep. Joshua A. Tardy*

Staff:

Julie S. Jones, Legislative Analyst

*Office of Fiscal and Program Review
5 State House Station
Augusta, ME 04333-0005
(207) 287-1635*

Maine State Legislature



Office Of Policy And Legal Analysis Office Of Fiscal And Program Review

121st Maine Legislature First Regular Session

Summary Of Legislation Before The Joint Standing Committees

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing and joint select committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing committees.

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. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

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:

<i>CARRIED OVER PURSUANT TO HP 1212</i>	<i>Bills carried over to the 2nd Regular Session</i>
<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN BODIES</i>	<i>House & Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i>	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i>	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed</i>
<i>ONTP</i>	<i>Ought Not To Pass report accepted</i>
<i>OTP-ND</i>	<i>Committee report Ought To Pass In New Draft</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</i>
<i>PASSED</i>	<i>Joint Order passed in both bodies</i>
<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i>	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>

Please note that the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is September 13, 2003.

David C. Elliott, Director
Offices located in Room 215 of the Cross Office Building

LD 1629

RESOLUTION, Proposing a Competing Measure under the Constitution of Maine To Create Municipal Service Districts To Reduce the Cost of Local Government, To Provide Property Tax Relief and To Increase Economic Competitiveness

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LEMOINE STANLEY		

LD 1629 proposes a resolution as a competing measure with Initiated Bill 3, Legislative Document 1372, “An Act to Enact the School Finance Act of 2003.” The bill proposes to provide a fiscal reform package that would reduce costs of governmental services now borne by municipalities and reduce property tax burdens in the following ways:

1. By providing fiscal incentives for regional consolidation through the establishment of municipal service districts;
2. By expanding property tax relief available through the Maine Residents Property Tax Program and repeals the homestead exemption;
3. By repealing prospectively the Business Equipment Tax Reimbursement Program, provide a property tax exemption for personal property that would have been eligible for BETR, including “BETR-expired” property and provide 50% reimbursement to municipalities for lost taxes;
4. By permitting a 1% local option sales and use tax limited to 5 years and used to finance eligible capital projects; and
5. By lowering the top rate under the income tax over 15 years and reduce the extent of indexing for inflation.

LD 1633

An Act Regarding Conformity with the Federal Jobs and Growth Tax Relief Reconciliation Act of 2003

PUBLIC 479

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LEMOINE STANLEY	OTP-AM MAJ OTP-AM MIN	S-284

LD 1633 proposed to update references in the Maine Revised Statutes, Title 36 to the Internal Revenue Code, as amended through May 28, 2003 with exceptions for certain significant federal income tax law changes made by the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27. Exceptions to conformity included changes to bonus depreciation, small business expensing, the standard deduction for married-joint filers and the alternative minimum tax.

Committee Amendment “A” (S-284) proposed to correct language to clarify the intent of the original bill.

Enacted Law Summary:

Public Law 2003, chapter 479 updates references in the Maine Revised Statutes, Title 36 to the Internal Revenue Code, as amended through May 28, 2003 with exceptions for certain significant federal income tax law changes made by the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27. Exceptions to conformity included changes to bonus depreciation, small business expensing, the standard deduction for married-joint filers and the alternative minimum tax.