

MAINE STATE LEGISLATURE

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*State Of Maine
121st Legislature*

*Second Regular Session
and Second Special Session*

Bill Summaries

*Joint Standing Committee
on
Taxation*

May 2004

Staff:

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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 Lerman

Rep. Edward J. Suslovic

Rep. Harold A. Clough

Rep. Jonathan T. E. Courtney

Rep. Earle L. McCormick

Rep. Joshua A. Tardy

Maine State Legislature



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

*121st Maine Legislature
Second Regular Session and
Second Special 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/billsumm.htm).

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
- 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 that the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is April 30, 2004; and non-emergency legislation enacted in the Second Special Session is July 30, 2004. Four bills (LD's 1572, 1629, 1636 and 1637) that were considered at the First Special Session in August 2003 are also included in these summaries.

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

Joint Standing Committee on Taxation

LD 1651

An Act To Conform the Maine Tax Laws for 2003 to the United States Internal Revenue Code

INDEF PP

<u>Sponsor(s)</u> LEMOINE STANLEY	<u>Committee Report</u> OTP-AM	<u>Amendments Adopted</u>
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LD 1651 proposed to update references to the United States Internal Revenue Code contained in Title 36 of the Maine Revised Statutes, to the United States Internal Revenue Code as amended through December 31, 2003, for tax years beginning on or after January 1, 2003 and for any prior years as specifically provided by the United States Internal Revenue Code. The provisions of this bill, as amended, were included in LD 1813. See summary of 1813 below.

LD 1664

An Act To Provide an Income Tax Modification for the Empowerment Zone Employment Credit

ONTP

<u>Sponsor(s)</u> SHERMAN STANLEY	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 1664 proposed to allow a business to deduct any amount received under the federal empowerment zone employment credit program, which provides tax incentives to businesses who hire employees who live and work in federally designated "empowerment zones." The provisions of this bill were included in LD 1813. See summary of LD 1813 below.

LD 1670

An Act To Include Disability Retirement Income in Retirement Income Eligible for Tax Exemption

INDEF PP

<u>Sponsor(s)</u> WATSON	<u>Committee Report</u> OTP-AM	<u>Amendments Adopted</u> H-787
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LD 1670 proposed to provide an income tax exemption for the first \$6,000 of income received under a disability retirement plan administered by the State for state employees and teachers.

Committee Amendment "A" (H-787) proposed to expand the \$6,000 income tax exemption for retirement income to include benefits under all employer-maintained disability retirement benefit plans. The amendment also proposed to add an application section

This bill was indefinitely postponed when removed from the Special Appropriations Table.