

MAINE STATE LEGISLATURE

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*State Of Maine
122nd Legislature*

*First Regular Session and
First Special Session*

Bill Summaries

*Joint Standing Committee
on
Taxation*

August 2005

Members:

*Sen. Joseph C. Perry, Chair
Sen. Ethan Strimling
Sen. Jonathan T. E. Courtney*

*Rep. Richard G. Woodbury
Rep. Herbert E. Clark
Rep. Deborah J. Hutton
Rep. Raymond G. Pineau
Rep. Thomas R. Watson
Rep. Harold A. Clough
Rep. H. Stedman Seavey, Jr.
Rep. Earle L. McCormick
Rep. Leonard Earl Bierman
Rep. Bruce Q. Hanley*

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Maine State Legislature

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122nd Legislature
First Regular Session and First Special Session

Summary of Legislation Considered by the Joint Standing Committees
August 2005

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 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 organized by committees 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. A subject index for each committee is included immediately before the bill summaries for that committee, and a numerical index by LD number is included 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:

- CARRIED OVER Bill 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

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is June 29, 2005; and for non-emergency legislation enacted in the First Special Session is September 17, 2005.

Joint Standing Committee on Taxation

LD 92 **An Act To Provide for Sales Tax Exemption Reciprocity for School Groups Visiting Other Jurisdictions** **ONTP**

<u>Sponsor(s)</u> MAYO PERCY		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 92 proposed to exempt from the sales tax on meals and lodging sales to groups of schoolchildren who reside in jurisdictions outside this State that offer a similar sales tax exemption to schoolchildren visiting from this State.

LD 112 **An Act To Conform Maine Estate Tax Law with Federal Estate Tax Laws** **ONTP**

<u>Sponsor(s)</u> CURLEY PERRY J		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 112 proposed to conform Maine estate tax laws with federal estate tax laws.

See also LD 436.

LD 115 **An Act Enabling Municipalities To Establish Municipal Land Banks Funded by Local Option Real Estate Transfer Taxes** **ONTP**

<u>Sponsor(s)</u> RECTOR SAVAGE		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 115 proposed to authorize municipalities to impose a municipal real estate transfer tax. It would require a municipality to approve such a tax and establish of a land bank program through the municipal referendum process. It contained restrictions on the tax rate and uses of the tax.

LD 118 **An Act To Provide Tax Relief for People with Functional Limitations** **CARRIED OVER**

<u>Sponsor(s)</u> BOWLES DAVIS P		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> H-108
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LD 118 proposed to amend the sales tax exemption for prosthetic devices to include additional aids and mobility devices to accommodate a person's functional limitations.

Joint Standing Committee on Taxation

Committee Amendment "A" (H-108) proposed to clarify the items qualifying for a sales tax exemption as prosthetic devices and mobility-enhancing equipment consistent with uniform definitions developed by the Streamlined Sales Tax Project.

This bill, and its adopted amendment, were carried over on the Special Appropriations Table by S.P. 640 to the next special or regular session of the 122nd Legislature.

LD 135 **An Act To Authorize a Tax Rebate Program for Established Residents** **PUBLIC 395**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GAGNON	OTP-AM MAJ	H-631 WOODBURY
PINEAU	ONTP MIN	S-302

LD 135 proposed to authorize municipalities to establish property tax rebate programs for elderly taxpayers who have resided in a municipality for at least 10 years on their principal place of residence.

Committee Amendment "A" (S-302) proposed to replace the bill with provisions permitting a municipality to adopt a property tax assistance program for persons with homesteads in the municipality who are at least 62 years of age. The program may provide benefits that are a percentage of the Maine Residents Property Tax Program or that do not exceed 50% of property taxes or rent constituting property taxes or that, together with benefits received under the Maine Residents Property Tax Program, do not exceed 60% of property taxes or rent constituting property taxes. The Department of Administrative and Financial Services, Maine Revenue Services would be authorized to disclose information about claimants, other than the claimant's income, to municipalities that have adopted a program.

House Amendment "A" to Committee Amendment "A" (H-631) proposed to permit municipalities to restrict a tax rebate program to persons who are at least 62 years of age or make it available to all persons with homesteads in the municipality.

Enacted law summary

Public Law 2005, chapter 395 permits a municipality to adopt a property tax assistance program for persons with homesteads in the municipality. The property tax assistance program may be made available to all persons with homesteads in the municipality or it may be restricted to persons with homesteads who are at least 62 years of age. The program may provide benefits that are a percentage of the Maine Residents Property Tax Program or that do not exceed 50% of property taxes or rent constituting property taxes or that, together with benefits received under the Maine Residents Property Tax Program, do not exceed 60% of property taxes or rent constituting property taxes.