

MAINE STATE LEGISLATURE

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*State Of Maine
122nd Legislature*

Second Regular Session

Bill Summaries

*Joint Standing Committee
on
Taxation*

July 2006

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Members:

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

*Rep. Richard G. Woodbury
Rep. Herbert E. Clark
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Rep. Leonard Earl Bierman
Rep. Bruce Q. Hanley*

Maine State Legislature



Office of Policy and Legal Analysis Office of Fiscal and Program Review

122nd Maine Legislature Second 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 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 (Pocket Veto).....	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 August 23, 2006.

Joint Standing Committee on Taxation

LD 791

An Act Concerning the Taxation of Property Owned by Certain Veterans' Organizations

PUBLIC 645

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MARTIN PINEAU	OTP-AM	S-299 S-663 ROTUNDO

LD 791 proposed to amend the property tax exemption for property owned or used solely by benevolent and charitable institutions to permit a proportionate exemption when only a portion of the property is owned and occupied or used solely by the benevolent and charitable institution.

Committee Amendment “A” (S-299) proposed to replace the bill, change the title and expand the property tax exemption for veteran’s organizations to apply to property owned, occupied and used by those organizations to further charitable purposes. If a portion of the property is used solely for purposes not related to the veterans' organization, that portion would be subject to property tax

Senate Amendment “A” to Committee Amendment “A” (S-663) proposed to add a mandate preamble and strike out an appropriations and allocations section.

Enacted law summary

Public Law 2005, chapter 645 expands the property tax exemption for veterans’ organizations to include property owned, occupied and used by those organizations to further charitable purposes. If a portion of the property is used solely for purposes not related to the veterans' organization, that portion is subject to property tax.

LD 972

An Act To Exempt Military Pensions for Future Military Retirees from State Income Tax

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
EBERLE DAVIS P	ONTP MAJ OTP-AM MIN	H-191 S-214 PERRY J

LD 972 proposed to exempt from the state income tax all military pension benefits for military personnel retiring on or after January 1, 2006 received by a Maine resident as a result of service in the active or reserve components of the Army, Navy, Air Force, Marines or Coast Guard.

Committee Amendment “A” (H-191) proposed changes to accomplish more effectively the intent of the bill.

Senate Amendment “A” To Committee Amendment “A” (S-214) proposed to apply the exemption from state income tax for military pension benefits to all military personnel, instead of just to those retiring after January 1, 2006.

This bill and its adopted amendments were carried over on the Special Appropriations Table by S.P. 640 to the next special or regular session of the 122nd Legislature and died on adjournment of the Second Regular Session.

Joint Standing Committee on Taxation

A similar proposal was included in the Governor’s Supplemental Budget Bill in the Second Regular Session as Part KK but was removed in the Committee Amendment to that bill. (See summary of LD 1968 included in the summaries of the Joint Standing Committee on Appropriations and Financial Affairs.)

LD 1074 An Act To Stimulate Economic Development in Maine's Aviation Industry INDEF PP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DAIGLE	OTP-AM A	H-299
PERRY J	OTP-AM B	
	ONTP C	

LD 1074 proposed to expand the sales tax exemption for aircraft purchased or leased by a nonresident and immediately transported out of the State by including within the exemption sales or leases of any aircraft and repair or replacement parts used exclusively in aircraft or in the overhauling or rebuilding of aircraft.

Committee Amendment “B” (H-299) proposed to limit the exemption for aircraft to those that weigh over 6,000 pounds that are propelled by turbine engines or are in use by a Federal Aviation Administration classified 135 operator and to remove aircraft parts from the exemption.

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.

This bill was removed from the Special Appropriations Table in the Second Regular Session and indefinitely postponed. The issue addressed by this bill was also addressed in the Supplemental Budget Bill in Public Law 2005, chapter 2005, Part EE, LD 1968, An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2006 and June 30, 2007.

LD 1090 An Act To Create a Grandparent-to-grandchild Exemption in the Real Estate Transfer Tax INDEF PP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CRESSEY	OTP-AM	H-171
COURTNEY		

LD 1090 proposed to exempt from the real estate transfer tax deeds between grandparent and grandchild.

Committee Amendment “A” (H-171) proposed to incorporate a fiscal note.

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.

This bill was removed from the Special Appropriations Table in the Second Regular Session and indefinitely postponed. The substance of this bill was incorporated into the Supplemental Budget Bill as Public Law 2005,