

# 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  
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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 1235 proposed to amend the Constitution of Maine to require that, in order to become law, a citizen-initiated measure that imposes a new or increased tax or fee must be approved by the Legislature and signed by the Governor.

**LD 1240**                      **An Act To Change the Maine Income Tax Rates**                      **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CRESSEY NASS R	ONTP	

LD 1240 proposed to repeal the existing graduated individual income tax rates, exempt income below poverty level, provide 4 graduated tax rates from 1% to 10% and repeal the standard deductions, itemized deductions and personal exemptions.

**LD 1244**                      **An Act To Clarify the Municipal Responsibility To Provide**                      **PUBLIC 187**  
**Assessing Information to Property Owners**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HUTTON STRIMLING	OTP-AM    MAJ ONTP        MIN	H-302

LD 1244 proposed to require each property tax bill issued by a municipality to clearly state the acreage that is the subject of the property tax bill.

**Committee Amendment "A" (H-302)** proposed to replace the provisions of the bill and require municipal officials with custodial authority over property tax assessing records to make entire assessment records available in a timely manner to property owners requesting those records.

### *Enacted law summary*

Public Law 2005, chapter 187 requires municipal officials with custodial authority over property tax assessing records to make entire assessment records available in a timely manner to property owners requesting those records.

**LD 1258**                      **An Act To Provide for Department of Labor Services and Other**                      **CARRIED OVER**  
**Services in Unorganized Territories**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MARTIN JACKSON		

## *Joint Standing Committee on Taxation*

LD 1258 proposed to assess landowners in the unorganized territory a fee equal to .01% of equalized state valuation for the landowners' property. The revenue from the fee would be used to offset the cost of providing services, such as police and fire protection, game warden services and services provided by Department of Labor personnel, in the unorganized territory.

This bill was carried over by H.P. 1203 to the next special or regular session of the 122nd Legislature.

**LD 1264**                      **An Act To Amend Maine's Estate Tax Law**                      **ONTP**

<u>Sponsor(s)</u> MILLS P	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 1264 proposed to allow for a special estate tax election at the state level so that the estate of an individual with a surviving spouse may fully fund the taxable estate with an amount equal to the federal exclusion without changing the taxable nature of the estate for Maine purposes.

The provisions of this bill were included in the Part 1 budget bill, Public Law 2005, chapter 12, Part N summarized under the Joint Standing Committee on Appropriations and Financial Affairs.

**LD 1301**                      **An Act To Support Affordable Housing**                      **ONTP**

<u>Sponsor(s)</u> KOFFMAN	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 1301 proposed to allow a municipality, by local referendum, to impose a local option real estate sales tax of 1% on the sale of property for more than \$1,000,000. Revenue from the tax would be distributed by the municipality levying the tax to local nonprofit housing organizations for the purpose of building, buying or developing affordable rental and owner-occupied housing in the municipality for eligible individuals or families. An "eligible individual or family" is defined as an individual or family whose total adjusted gross income is less than 120% of the median income for the United States Department of Labor district in which the eligible property was sold. If the municipality has no local nonprofit housing organization, the municipality would send the revenue to the Maine State Housing Authority.

**LD 1305**                      **An Act To Encourage Long-term Holding of Maine Timberland and Sustainable Forest Management**                      **PUBLIC 416**

<u>Sponsor(s)</u> FLOOD DAMON	<u>Committee Report</u> OTP-AM    MAJ ONTP        MIN	<u>Amendments Adopted</u> H-403
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LD 1305 proposed an income tax deduction for the taxable gain on the sale of eligible timberlands held for at least a 10-year period beginning on or after January 1, 2005. The amount of the deduction is increased in 10% increments depending on how many years beyond 10 the eligible timberlands are held prior to their sale. If the