

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*

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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 1400

An Act To Reduce Payments under the Business Equipment Tax Reimbursement Program and To Eliminate Double Dipping and Increase Conformity with the Internal Revenue Code

ONTP

<u>Sponsor(s)</u> MILLS P		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1400 proposed to reduce reimbursement under the Business Equipment Tax Reimbursement (BETR) program to 90% of taxes paid and to reduce BETR program reimbursement by the amount of reimbursement under a tax increment financing district.

The bill also proposed to increase the State's conformity with the federal Internal Revenue Code by incorporating the federal exemption amount into the state estate tax and by conforming to the federal tax deductibility of health saving accounts.

Reimbursement under the BETR program was reduced for one year to 90% of taxes paid for the application period beginning August 1, 2006 in Public Law 2005, chapter 457, Part BBB.

This bill was carried over by H.P. 1203 from the First Special Session of the 122nd Legislature.

See also LDs 1102, 1557, 1660 and 2056.

LD 1552

An Act To Make Owners of Cooperative Housing Eligible for the Homestead Exemption

PUBLIC 647

<u>Sponsor(s)</u> CROSBY MAYO		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> H-584 S-668 ROTUNDO
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LD 1552 proposed to allow residents of a residential cooperative who are shareholders in that cooperative to benefit from the Maine resident homestead property tax exemption program by providing a property tax exemption to the owner of cooperative property equal to the standard amount of the exemption multiplied by the number of units in the cooperative occupied by persons who would otherwise qualify for the homestead property tax exemption if they owned property qualifying as a homestead.

Committee Amendment "A" (H-584) proposed to clarify the method of applying the exemption for cooperative housing and change the application date from 2005 to 2006.

Senate Amendment "A" to Committee Amendment "A" (S-668) proposed to add a mandate preamble, remove the appropriations and allocations section and change the application date.

Enacted law summary

Public Law 2005, chapter 647 allows residents of a residential cooperative who are shareholders in that cooperative to benefit from the Maine resident homestead property tax exemption by providing a property tax exemption to the owner of the cooperative property equal to the amount of the standard homestead exemption