

# 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  
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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 1557**                      **An Act To Improve the Business Equipment Tax Reimbursement Program**                      **CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
STRIMLING HUTTON		

LD 1557 proposed to prohibit reimbursement of property taxes under the Business Equipment Tax Reimbursement (BETR) program if the taxes also are reimbursed under a tax increment financing district agreement for property first placed into service on or after April 1, 2007. This bill also proposed to limit BETR reimbursement to 90% of the assessed taxes and reduce the number of years property is eligible for reimbursement from 12 years to 10 years. The savings generated would be used to fund a new program created jointly by the Department of Economic and Community Development and the Department of Administrative and Financial Services, Maine Revenue Services to provide tax assistance to small businesses based on need.

**Committee Amendment "A" (S-369)** proposed to replace the bill with a resolve establishing a study commission to study L.D. 1660, "An Act To Reduce Income Taxes and Encourage Economic Growth in Maine," personal property tax on business equipment and the Business Equipment Tax Reimbursement program and report to the Legislature by December 15, 2005.

This bill was recommitted to the Joint Standing Committee on Taxation and carried over.  
LD 1691, Public Law 2005, chapter 457, Part BBB reduced BETR reimbursement by 10% for the 2006 application year only.

See also LD 1068 and LD 1400.

**LD 1563**                      **An Act To Amend the Revaluation Process by Municipalities**                      **DIED BETWEEN HOUSES**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SULLIVAN	ONTP      MAJ OTP-AM    MIN	

LD 1563 proposed to require that if the municipal assessors or the chief assessor of a primary assessing area revalue a portion of the municipality or primary assessing area, they could not revalue that portion again until the other portions of the municipality or primary assessing area have been revalued.

**LD 1564**                      **An Act To Include Intangible Assets when Determining the Value of Property**                      **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
ASH WESTON	ONTP	

## *Joint Standing Committee on Taxation*

LD 1564 proposed to require that intangible assets or rights, such as contracts, subsidies, tax credits and licenses, be included in the value of real property for purposes of determining just value.

**LD 1584**                      **Resolve, Directing the State Tax Assessor To Adjust the State Valuation for the Town of Wiscasset**                      **RESOLVE 67  
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RINES DOW	OTP-AM	H-441

LD 1584 proposed to direct the State Tax Assessor to reduce the 2005 state valuation for the Town of Wiscasset by approximately 31% to \$338,600,000.

**Committee Amendment "A" (H-441)** proposed to substitute the sum of \$488,450,000 for the 2005 state valuation for the Town of Wiscasset for the purpose of calculating the county tax assessed in 2005 to prevent the municipality's county tax liability from changing as a result of the resolve.

### *Enacted law summary*

Resolve 2005, chapter 67 requires the State Tax Assessor to reduce the 2005 state valuation for the Town of Wiscasset to \$338,600,000 for purposes other than apportionment of county taxes. The reduction is the result of the loss of property tax valuation under a settlement with regard the property of the Maine Yankee Atomic Power Company.

Resolve 2005, chapter 67 was finally passed as an emergency measure effective May 31, 2005.

**LD 1585**                      **An Act To Provide a Temporary Sales Tax Exemption for Prescription Drugs for Animals**                      **CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MCKENNEY PERRY J	OTP-AM	H-440

LD 1585 proposed to provide a sales tax exemption for sales of medicines for animals sold on a doctor's prescription before July 1, 2005, if sales tax had not been collected. If a person collected sales tax on the sale of medicines for animals prior to July 1, 2005, that person would be required to remit those taxes to the State Tax Assessor.

**Committee Amendment "A" (H-440)** 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 122<sup>nd</sup> Legislature.