

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
Rep. Deborah J. Hutton
Rep. Thomas R. Watson
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Rep. Earle L. McCormick
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 1647

An Act To Award Income Tax Credits for Boiler or Furnace Systems That Reduce or Eliminate Certain Pollutants

INDEF PP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DUDLEY PERRY J	OTP-AM	H-628

LD 1647 proposed to provide a credit against corporate income taxes to businesses that put into operation on or after June 1, 2005 a furnace or boiler system that burns organic material and eliminates nitrogen oxides without increasing other pollutants or reduces particulate emissions to a level that is 20% below standards established by the Department of Environmental Protection, Board of Environmental Protection. The credit would be equal to 1.5¢ per kilowatt-hour or its equivalent in heat energy produced by the furnace or boiler system. A business with an existing boiler or furnace system placed into operation prior to June 1, 2005 could qualify for the tax credit if it modified its boiler or furnace system to burn more cleanly, but only to the extent of the kilowatt-hours or equivalent heat energy attributable to the modification.

Committee Amendment “A” (H-628) proposed to extend the income tax credit to businesses that are not corporations, eliminate the transferability of credits, require certifications of eligible systems by the Department of Environmental Protection, clarify the application of the credit and repeal the credit after 5 years. The amendment also proposed to require the Department of Administrative and Financial Services, Bureau of Revenue Services to report annually on the use of the credit as part of its economic development incentive report.

This bill, and its adopted amendment, was 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, as amended, was incorporated into the Supplemental Budget Bill as Public Law 2005, chapter 519, Part TTT, 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 1660

An Act To Reduce Income Taxes and Encourage Economic Growth in Maine

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WOODBURY PERRY J	ONTP	

LD 1660, a Governor’s Bill, proposed the following changes to Maine income tax and the taxation of business personal property.

Part A proposed to increase the existing low-income tax credit threshold from \$2,000 to \$4,750. The increase in the threshold would apply to tax years beginning after 2004 and be funded through tax year 2009 by suspending the annual inflation adjustment to the dollar bracket amounts of the individual income tax schedules.