

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. Harold A. Clough
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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 1856

An Act To Conform the Maine Tax Laws for 2005 to the United States Internal Revenue Code

**PUBLIC 486
EMERGENCY**

| | | | | |
|-------------------------------|--|--------------------------------|--|---------------------------|
| <u>Sponsor(s)</u> WOODBURY | | <u>Committee Report</u> OTP | | <u>Amendments Adopted</u> |
|-------------------------------|--|--------------------------------|--|---------------------------|

LD 1856 proposed to update references to the United States Internal Revenue Code contained in the Maine Revised Statutes, Title 36 to the United States Internal Revenue Code as amended through December 31, 2005 for tax years beginning on or after January 1, 2005 and for any prior years as specifically provided by the United States Internal Revenue Code.

Enacted law summary

Public Law 2005, chapter 486 updates references to the United States Internal Revenue Code contained in the Maine Revised Statutes, Title 36 to the United States Internal Revenue Code as amended through December 31, 2005 for tax years beginning on or after January 1, 2005 and for any prior years as specifically provided by the United States Internal Revenue Code. The bill affects Maine's income tax and estate tax laws.

Public Law 2005, chapter 486 was enacted as an emergency measure effective March 13, 2006.

LD 1857

An Act Relating to the Assessment of Property Taxes on Time-share Property

PUBLIC 607

| | | | | |
|--------------------------------|--|-----------------------------------|--|------------------------------------|
| <u>Sponsor(s)</u> DUPLESSIE | | <u>Committee Report</u> OTP-AM | | <u>Amendments Adopted</u> H-993 |
|--------------------------------|--|-----------------------------------|--|------------------------------------|

LD 1857 proposed to require that the taxable value of time-share property be calculated in the same manner as if the unit were a residential condominium unit owned by a single taxpayer. The managing entity of the time-share development would divide the property tax proportionately among the time-share owners based on each time-share owner's assessment for costs. It also proposed to require the managing entity to collect property taxes from owners and remit the property taxes to the municipality.

Committee Amendment "A" (H-993) proposed to clarify that an assessor may consider the value of a time-share estate listed on a declaration of value form under the real estate transfer tax when valuing the property for property tax purposes. The amendment also proposed that a managing entity of time-share property that collects money for property taxes be required to pay outstanding property tax amounts no later than 30 days after the date it collected those taxes or 10 months after the date of the property tax commitment, whichever is earlier.

Enacted law summary

Public Law 2005, chapter 607 clarifies that an assessor may consider the value of a time-share estate listed on a declaration of value form under the real estate transfer tax when valuing the property for property tax purposes. It also provides that a managing entity of time-share property that collects money for property taxes must pay outstanding property tax amounts no later than 30 days after the date it has collected those taxes or 10 months after the date of the property tax commitment, whichever is earlier.