

# 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](http://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*

Both the excise tax credit and the income tax credit would expire on December 31, 2016.

**Committee Amendment “A” (S-588)** proposed to make changes to the provisions of the bill relating to the malt liquor excise tax credit to apply the credit based on the fiscal year rather than on the year of production. The amendment also proposed to replace the income tax credit with an expansion of the employment tax increment financing program to provide an enhanced reimbursement for qualified brewers who add qualified employees. The amendment proposed that the excise tax credit and enhanced employment tax increment financing reimbursement be repealed March 1, 2010 unless the Commissioner of Economic and Community Development certifies that the number of new employees of qualified brewers for which reimbursement was made in 2009 has increased at least 10% over total 2006 employment.

This bill and its adopted amendment were placed on the Special Appropriations Table and died on adjournment of the Second Regular Session.

**LD 2052**

**RESOLUTION, Proposing an Amendment to the Constitution of  
Maine To Create a Property Tax Exemption for Property Owners  
with Limited Personal Property Assessments**

**INDEF PP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| WOODBURY          | OTP-AM    MAJ           | H-877                     |
| COURTNEY          | ONTP      MIN           |                           |

LD 2052 proposed an amendment to the Constitution of Maine to provide a property tax exemption for personal property of a person who owns otherwise taxable personal property with a just value of no more than \$20,000.

See also LDs 1739, and 2053.

**LD 2053**

**An Act To Simplify and Relieve Personal Property Taxes for Small  
Businesses**

**ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| WEBSTER           | ONTP                    |                           |

LD 2053 proposed property tax exemptions for certain personal property owned by small businesses. A person with up to \$20,000 of business personal property would be entitled to an exemption for that property. A person with up to \$100,000 of personal property that would be eligible for the BETR program would be entitled to a property tax exemption for that property. The bill also proposed to require the State to reimburse municipalities and the unorganized territory for 100% of the property tax revenue loss resulting from the exemptions.

See also LDs 1739 and 2052.