

MAINE STATE LEGISLATURE

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STATE OF MAINE
123RD LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills and adopted amendments and laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature coming from the

JOINT STANDING COMMITTEE ON TAXATION

July 2007

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STATE OF MAINE

123RD LEGISLATURE

FIRST REGULAR SESSION

LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS



This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature, which was in session from December 6, 2006 to June 21, 2007.

The *Digest* is arranged alphabetically by committee, and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

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 (or Accepted ONTP report).....	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.....	Bill held by Governor
VETO SUSTAINED.....	Legislature failed to override Governor's Veto

Please note that the effective date for non-emergency legislation enacted in the First Regular Session is **September 20, 2007**. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

Joint Standing Committee on Taxation

LD 53 An Act To Provide a Tax Credit for College Education Costs When the Person Creates Jobs following Graduation ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DUPREY PLOWMAN	ONTP	

This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to provide an income tax credit for any graduate of a 4-year degree program in Maine who starts a business that creates jobs for at least 5 full-time equivalent employees in the first year and 10 full-time equivalent employees in subsequent years. The credit is equal to 1/4 of the cost of a 4-year college degree at any Maine college and can be used annually for up to 4 years in a row.

See also LDs 298, 368, 948, 1815 and 1856.

LD 54 An Act To Conform Maine Law with Federal Law Regarding Tax Credits for Adoptions ONTP

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

This bill creates a state income tax credit equal to 20% of the federal income tax credit for qualified adoption expenses.

LD 79 An Act To Repeal the Excise Tax on New Motor Vehicles BY REQUEST ONTP

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

This bill exempts new motor vehicles and camper trailers from the excise tax in the first model year.

LD 80 An Act To Make Changes to the Maine Residents Property Tax Program ONTP

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

This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to change the Maine Residents Property Tax Program in the following ways.

1. The name of the program would be changed.
2. The filing dates would be changed to correspond to the income tax year.

Joint Standing Committee on Taxation

- 3. An applicant would be able to use the Maine income tax form to apply for reimbursement under the program.
- 4. Any rental income earned by the applicant on the subject property would be treated the same as other income earned by the applicant and would not disqualify the applicant from participation in the program.
- 5. The income of a dependent who is a full-time student in a postsecondary educational institution and living away from home would be excluded from inclusion in the income of the applicant for purposes of determining eligibility and the level of reimbursement.

LD 81 An Act To Update the Property Tax Exemption for Parsonages ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FARRINGTON BARTLETT	ONTP	

This bill increases the property tax exemption for a parsonage from \$20,000 to \$100,000.

LD 82 Resolve, To Create a Study Commission To Evaluate the County Tax Structure ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
ROBINSON DIAMOND	ONTP	

This resolve is a concept draft pursuant to Joint Rule 208.

This resolve proposes to establish a study commission to evaluate the county tax structure as it relates to property valuation. The goal of the study is to construct a solution that would uncouple the county tax base from property tax and land valuation. The study commission will examine different ways to assess county taxes, including, but not limited to, assessment based on the population or on consequential services rendered.

LD 83 An Act To Provide Equity for the Penobscot Nation in the Return of Tax Revenue ONTP

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

This bill returns sales tax revenues generated on the Penobscot Indian Island Reservation to the Penobscot Nation in the same way as the law currently returns sales tax revenues generated on the Passamaquoddy reservation at Pleasant Point and Indian Township to the Passamaquoddy Tribe.