

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 131 An Act To Provide Tax Relief to Working Families

ONTP

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

This bill is a recommendation of the Study Commission Regarding Liveable Wages established in Resolve 2005, chapter 128. The bill raises the income tax personal exemption to \$3,200, raises the income tax credit for child care expenses to 100% of the federal credit and establishes a child tax credit equal to the federal credit.

LD 132 An Act To Reform the Maine Tax Code

ONTP

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| RAND PERRY J | ONTP | |

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

This bill proposes to reform Maine taxes in the following ways.

1. The taxable income amount at which the highest income tax rate, currently 8.5%, applies would be increased.
2. A local option sales tax would be created.
3. The sales tax base would be broadened and stabilized.

LD 144 An Act To Support Maine's Free Clinics

PUBLIC 416

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| SULLIVAN | OTP-AM | S-36 |

This bill excludes from the Maine sales and use tax any free clinic whose sole mission is to provide free medical care to the indigent or uninsured.

Committee Amendment "A" (S-36)

This amendment places the sales tax exemption in a better location in the statutes and provides an effective date of October 1, 2007.

Enacted Law Summary

Public Law 2007, chapter 416 provides a sales tax exemption for free clinics whose sole mission is to provide free medical care to the indigent or uninsured.