

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
123<sup>RD</sup> LEGISLATURE  
FIRST REGULAR SESSION



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

**JOINT STANDING COMMITTEE ON TAXATION**

July 2007

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# STATE OF MAINE

123<sup>RD</sup> LEGISLATURE

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## 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 123<sup>rd</sup> 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 208      Resolve, Directing the Department of Economic and Community  
Development To Analyze and Evaluate the Effect of Tax Increment  
Financing for Retail Businesses on Economic Development**

**RESOLVE 127**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SIMPSON STRIMLING	OTP-AM   MAJ ONTP   MIN	H-592

This bill provides that tax increment financing may not be used for a development program adopted on or after October 1, 2007 with the primary purpose of the establishment or expansion of a retail business or businesses. The bill also provides that project costs within a tax increment financing district may not include costs that primarily benefit a retail business.

**Committee Amendment "A" (H-592)**

This amendment replaces the bill with a resolve requiring the Department of Economic and Community Development to evaluate and analyze the effect of tax increment financing for retail businesses on economic development in Maine and submit a report to the Joint Standing Committee on Taxation by November 1, 2007. The joint standing committee is authorized to submit legislation related to the report.

**Enacted Law Summary**

Resolve 2007, chapter 127 requires the Department of Economic and Community Development to evaluate and analyze the effect of tax increment financing for retail businesses on economic development in Maine and submit a report to the Joint Standing Committee on Taxation by November 1, 2007. The joint standing committee is authorized to submit legislation related to the report.

**LD 227      An Act To Allow the Reimbursement of Motor Vehicle Excise Taxes in  
Certain Cases**

**PUBLIC 83**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HOLMAN	OTP-AM	H-76

This bill requires motor vehicle excise tax credit be proportional to the portion of the registration year that the vehicle was in service and requires a refund if the credit exceeds the amount applied to excise tax on another vehicle.

**Committee Amendment "A" (H-76)**

This amendment authorizes municipalities to refund excess motor vehicle excise tax credits but does not require them to do so. The amendment also removes from the bill the requirement that credits be prorated for the portion of the registration year that the vehicle was in service.

**Enacted Law Summary**

Public Law 2007, chapter 83 authorizes municipalities to refund motor vehicle excise tax credits that exceed the amount of credit applied to a replacement vehicle but does not require them to do so.