

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

STATE OF MAINE
123RD LEGISLATURE
SECOND REGULAR AND FIRST SPECIAL SESSIONS



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

JOINT STANDING COMMITTEE ON TAXATION

May 2008

STAFF:

JULIE S. JONES, SENIOR ANALYST
ALEXANDRA AVORE, LEGISLATIVE ANALYST
OFFICE OF FISCAL AND PROGRAM REVIEW
5 STATE HOUSE STATION
AUGUSTA, ME 04333
(207)287-1635

MEMBERS:

SEN. JOSEPH C. PERRY, CHAIR
SEN. ETHAN STRIMLING
SEN. RICHARD A. NASS

REP. JOHN F. PIOTTI, CHAIR
REP. HERBERT E. CLARK
REP. ANNE M. RAND
REP. THOMAS R. WATSON
REP. DONALD E. PILON
REP. SCOTT E. LANSLEY
REP. KATHLEEN D. CHASE
REP. L. GARY KNIGHT
REP. BONNIE S. GOULD
REP. RICHARD G. WOODBURY

STATE OF MAINE
123RD LEGISLATURE
SECOND REGULAR & FIRST SPECIAL SESSIONS



**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 Second Regular or First Special Sessions of the 123rd Maine Legislature.

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:

<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN BODIES</i>	<i>House & Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i>	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i>	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed; bill died</i>
<i>ONTP (or Accepted ONTP report)</i>	<i>Ought Not To Pass report accepted; bill died</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</i>
<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i>	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>

The effective date for non-emergency legislation enacted in the Second Regular Session (R2) is June 30, 2008. The effective date for non-emergency legislation enacted in the First Special Session (S1) is July 18, 2008.¹ The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills. Any bill summarized in this document having an LD number less than 1932 was a bill carried over from the First Regular Session of the 123rd Legislature.

¹ The session in which each law was enacted or finally passed (R2 or S1) is included in Appendix C.

Joint Standing Committee on Taxation

LD 262 An Act To Amend the Credit for Rehabilitation of Historic Properties

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KOFFMAN MARTIN	OTP-AM MAJ ONTP MIN	

This bill changes the amount of historic rehabilitation tax credit a taxpayer may take if the taxpayer received a credit under the United States Internal Revenue Code from an amount equal to the credit the taxpayer received under the Code to an amount equal to 25% of the expenditures incurred after December 31, 1999 for a certified historic structure. This bill also allows a historic rehabilitation tax credit for a taxpayer who did not receive a credit under the United States Internal Revenue Code of 25% of expenditures if the taxpayer expended from \$50,000 to \$250,000 on a certified historic structure. This bill makes the credit fully refundable and authorizes the State Historic Preservation Officer to establish a schedule of fees for the historic rehabilitation tax credit program, the proceeds of which will go to administering the program.

An amended version of this bill was included in the supplemental budget bill, Public Law 2007, c. 539, Part WW. See also LD 2008.

LD 276 RESOLUTION, Proposing an Amendment to the Constitution of Maine To Require the Legislature To Freeze the Valuation of Maine Primary Residence Land

ONTP

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

This resolution is a Governor's bill that proposes a constitutional amendment to require the Legislature to provide for freezing the valuation of primary residence land. The resolution proposes payment of a penalty for certain transfers of the primary residence land equal to the difference in taxes for the five years preceding the transfer.

LD 349 Resolve, To Provide Funding for Small Wind Power Generators

RESOLVE 226

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BROWNE	OTP-AM MAJ ONTP MIN	S-689 ROTUNDO

This bill provides an income tax credit for a small wind power generator intended to provide electricity to a household or small business.

Senate Amendment "A" (S-689)

This amendment replaces the bill with a resolve and provides a one-time General Fund appropriation of \$40,000 in fiscal year 2008-09 for the Public Utilities Commission to authorize and fund a small wind power generator pilot project. It also provides a one-time transfer totaling \$40,000 from the Accident, Sickness and Health Insurance Internal Service Fund and the Retiree Health Insurance Internal Service Fund to the unappropriated surplus of the General Fund in fiscal year 2008-09.

Joint Standing Committee on Taxation

Enacted Law Summary

Resolve 2007, chapter 226 provides a one-time General Fund appropriation of \$40,000 in fiscal year 2008-09 for the Public Utilities Commission to authorize and fund a small wind power generator pilot project. It also provides a one-time transfer totaling \$40,000 from the Accident, Sickness and Health Insurance Internal Service Fund and the Retiree Health Insurance Internal Service Fund to the unappropriated surplus of the General Fund in fiscal year 2008-09.

LD 530 An Act To Encourage Open Space through Current Use Taxation of Open Space Land Set Aside for Long-term Protection from Development ONTP

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

This bill permits an 85% reduction in property taxes for open space land set aside for long-term protection in a municipality where the voters have determined that there is a critical need for open space land. The withdrawal penalty for open space land set aside for long-term protection is the same as for withdrawal of farmland from classification which is the minimum constitutional penalty.

LD 531 An Act To Improve the Method of Taxing Natural Gas for Highway Use PUBLIC 650

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BLISS	OTP-AM	H-653

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

This bill proposes to change the method of taxing compressed natural gas used in vehicles so that the BTU value is more accurately reflected and accounted for in determining the tax.

Committee Amendment "A" (H-653)

This amendment changes the formulas for calculation of fuel tax rates on alternative fuels to reflect the energy content of the alternative fuel relative to the conventional petroleum fuels being displaced.

Enacted Law Summary

Public Law 2007, chapter 650 changes the formulas for calculation of fuel tax rates on alternative fuels to reflect the energy content of the alternative fuel relative to the conventional petroleum fuels being displaced.

LD 543 Resolve, To Direct a Review of Issues Concerning the Maine Tree Growth Tax Law RESOLVE 197

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SAVIELLO	OTP-AM	H-656 S-588 PERRY J

This resolve establishes the Maine Tree Growth Tax Law Review Committee to examine and make recommendations regarding a number of administrative issues related to the Maine Tree Growth Tax Law. The