

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

This resolve requires the Department of Administrative and Financial Services, Bureau of Revenue Services to conduct a study to develop a tax increment financing proposal that will support the Washington County Development Authority's economic development programs and to report its findings, along with proposed legislation, to the Legislature and the Joint Standing Committee on Taxation by February 1, 2008.

Committee Amendment "A" (H-523)

This amendment replaces the study in the resolve with a review analyzing a state tax increment financing mechanism for Washington County and changes the department conducting the review to the Department of Economic and Community Development.

Enacted Law Summary

Resolve 2007, chapter 123 requires the Department of Economic and Community Development to conduct a review analyzing the potential for a state tax increment financing mechanism for Washington County.

LD 760 An Act To Reduce the Excise Tax on Certain Commercial Vehicles ONTP

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

This bill provides a 50% decrease in the excise tax imposed on commercial vehicles that are driven on public ways less than 50% of the annual total miles driven.

LD 761 An Act To Enable Municipalities To Establish Municipal Land Banks Funded by Local Option Real Estate Transfer Taxes ONTP

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

This bill authorizes municipalities to impose a municipal real estate transfer tax to fund a land bank program. Approval for both the tax and the land bank must be obtained by referendum. This bill places restrictions on the tax rate and uses of the tax.

LD 762 An Act To Enhance a Community's Capacity To Support Affordable Housing ONTP

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

This bill allows a municipality to impose a local option real estate transfer tax of 1% on the transfer of single family residential property sold for more than \$500,000. Revenue from the tax must be distributed by the municipality levying the tax to local nonprofit housing organizations for the purpose of building, buying or developing affordable rental and owner-occupied housing in the municipality for individuals or families whose total adjusted gross income is less than 120% of the median income for the United States Department of Labor district in which the eligible property was sold. If the municipality does not have a local nonprofit housing organization, the municipality must send the revenue to the Maine State Housing Authority.