

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 1276 An Act To Promote Funding for Wildlife

ONTP

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

This bill requires the income tax check off for the Maine Endangered and Nongame Wildlife Fund to be located on the first page of the individual income tax form.

**LD 1298 An Act To Amend the Definition of "Working Waterfront Land" To
Include Land Used for Marine Trades**

CARRIED OVER

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

This bill amends the definition of "working waterfront land" under the law authorizing current use tax valuation to include land providing access to or supporting the conduct of commercial marine activities.

This bill was carried over to any special or regular session of the 123rd Legislature by joint order, H.P. 1369.

LD 1299 An Act To Amend the Farm and Open Space Tax Law BY REQUEST

ONTP

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

This bill creates a category of land in the farm and open space tax laws called "public recreational land," which is open space land that receives additional reduction in taxes under the laws for keeping the land open to unlimited public recreational activities. This bill also allows public recreational land also to be forest land under the Maine Tree Growth Tax Law, in which case the land is assessed as either open land or forest land, whichever is lower, with an additional 10% reduction in taxes for being in both programs.

**LD 1300 An Act To Return a Portion of Sales, Lodging and Meals Taxes to
Municipalities**

**DIED BETWEEN
HOUSES**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CHASE	OTP-AM	H-576

This bill requires the Treasurer of State to disburse to a municipality an amount equal to 10% of the difference between the sales tax on prepared food and lodging collected in that municipality in a fiscal year and the amount collected in that municipality in fiscal year 2006. If the amount of sales taxes collected in a fiscal year in a municipality is below that collected in 2006, then the municipality receives no revenue under this bill. The amount received under this bill may not reduce any other state aid or revenue sharing received by that municipality, and the municipality must use the amount received under this bill to reduce property taxes by the same amount.

Joint Standing Committee on Taxation

Committee Amendment "A" (H-576)

This amendment replaces the bill and requires payments beginning in fiscal year 2009-10 to municipalities of an amount equal to 10% of the difference between the sales and use tax attributable to the municipality in a fiscal year and the comparable amounts for fiscal year 2008-09, referred to as the "local sales tax increment." If the amount of sales and use tax collected in a fiscal year in a municipality is below that collected in fiscal year 2008-09, then the municipality receives no payment. Under this amendment the amount received may not reduce any other state aid or revenue sharing received by that municipality, and the municipality must use the amount received to reduce property taxes by the same amount. The Unorganized Territory Education and Services Fund receives the same payment as municipalities and is subject to the same requirement to use the revenue to reduce property taxes.

LD 1307 An Act To Reduce Duplication of Paperwork for Fuel Distributors

PUBLIC 407

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DIAMOND	OTP-AM	S-320

This bill exempts a retail dealer of gasoline who also holds a distributor certificate from the reporting provisions of the gasoline tax laws if the retail dealer elects to be treated as a retail dealer instead of a distributor, in which case the retail dealer is required to pay the gasoline tax upon payment of the gasoline purchased by the retail dealer.

Committee Amendment "A" (S-320)

This amendment replaces the bill and permits motor vehicle fuel distributors that distribute only to retail dealers or directly into the fuel tanks of motor vehicles to register with the State Tax Assessor and file tax forms in a less burdensome manner.

Enacted Law Summary

Public Law 2007, chapter 407 permits motor vehicle fuel distributors that distribute only to retail dealers or directly into the fuel tanks of motor vehicles to register with the State Tax Assessor and file tax forms in a less burdensome manner.

LD 1338 An Act Concerning the Taxation of Property Owned by Certain Nonprofit Organizations

ACCEPTED ONTP
REPORT

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

Current law exempts from property tax real estate and property owned by a fraternal organization that is used solely by the organization for the purposes for which it is organized. This bill exempts real estate and property that the organization rents to others as long as the income derived from the rental is used exclusively for the organization's charitable purposes.