

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 1434 An Act To Lower Maine Income Tax Rates

ONTP

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

This bill decreases the top 2 income tax rates over a 4-year period, beginning with tax year 2007. The initial decrease is from 8.5% and 7% to 8% and 6.5%, respectively, and then a further 1% and 0.5% decrease in each rate, respectively, for the 2008, 2009 and 2010 tax years until both rates are 5%.

LD 1443 Resolve, To Study the Funding Formula of Cumberland County To More Equitably Apportion the Taxes Paid to County Government

INDEF PP

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

LD 1443 is a concept draft pursuant to Joint Rule 208.

It proposes to establish a study commission to conduct an impact study in Cumberland County on a new funding formula based on assessment and population factors to more equitably apportion taxes paid to county government. This resolve was indefinitely postponed without reference to Committee.

LD 1444 An Act To Index the Veterans' Property Tax Exemptions to the Cost of Living

ONTP

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

This bill provides for annual inflation adjustments in veterans' property tax exemptions and for additional increases if federal funds can be identified to permit reimbursement to municipalities. The bill also requires the State Tax Assessor to explore federal and other sources of funding for veterans' exemptions and requires the Governor to seek assistance from the Maine Congressional Delegation in obtaining federal funds for that purpose.

LD 1457 An Act To Preserve Home Ownership in the State by Reducing the Property Tax Burden

ONTP

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

This bill amends the Maine Residents Property Tax Program, also known as the Circuitbreaker Program, by:

1. Decreasing the threshold percentage at which 100% of the benefit is payable from 8% to 6%; and
2. Increasing the maximum benefit to \$3,000.