

MAINE STATE LEGISLATURE

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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

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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 2100

An Act To Exempt from Gasoline Tax at the Time of Sale Fuel Used for Off-road Commercial Uses

**ACCEPTED ONTP
REPORT**

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

This bill allows a person who purchases and uses motor fuel for commercial off-road uses to obtain a certificate from the State Tax Assessor that allows the person to purchase the fuel from a retailer without paying the fuel tax at the time of purchase. Following purchase, the person must dye the tax-exempt fuel.

LD 2140 An Act To Protect Parties to Real Estate Transactions

PUBLIC 687

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SIROIS NUTTING J	OTP-AM	H-812

This bill requires persons responsible for settlement of proceeds in the transfer of real estate for personal, family or household purposes that are secured by mortgage to notify the municipality where the property is located of the transfer and to require the purchaser of residential real estate to pay all property taxes from the date of closing until April 1st of the subsequent year.

The bill also requires a municipality that has been notified to file the lien for nonpayment of taxes in the name of purchaser and provides a remedy for the buyer and seller against a settlement agent who violates the requirements. The bill requires the Superintendent of Consumer Credit Protection to enforce the requirements.

Committee Amendment "A" (H-812)

This amendment requires the Department of Administrative and Financial Services, Bureau of Revenue Services to prepare and distribute a guidance document to sellers and buyers of real estate to provide information about problems that can arise as the result of the proration of responsibility for the payment of property taxes among the parties when property is transferred in order to ensure that the parties are better informed about the potential implications of the allocation of property taxes incident to the transfer. It also authorizes a party to a property tax proration to bring legal action against a party who does not pay that party's share of the property taxes and to recover the costs of discharging a lien and attorney's fees. A party who prevails in such an action who pays delinquent taxes may have information about a lien in that party's credit report designated as inaccurate information. The amendment also adds an appropriations and allocations section.

Enacted Law Summary

Public Law 2007 chapter 687 requires the Department of Administrative and Financial Services, Bureau of Revenue Services to prepare and distribute a guidance document to sellers and buyers of real estate to provide information about problems that can arise as the result of the proration of responsibility for the payment of property taxes among the parties when property is transferred in order to ensure that the parties are better informed about the potential implications of the allocation of property taxes incident to the transfer. It also authorizes a party to a property tax proration to bring legal action against a party who does not pay that party's share of the property taxes and to recover the costs of discharging a lien and attorney's fees. A party who prevails in such an action who pays delinquent taxes may have information about a lien in that party's credit report designated as inaccurate information.