

MAINE STATE LEGISLATURE

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STATE OF MAINE
124TH LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed during
the First Regular Session of the 124th Maine Legislature coming from the

JOINT STANDING COMMITTEE ON TAXATION

July 2009

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STATE OF MAINE

124TH 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 124th 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:

CARRIED OVER.....	Carried over to a subsequent session of the Legislature
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; bill died
ONTP (or Accepted ONTP report).....	Ought Not To Pass report accepted; bill died
P&S XXX.....	Chapter # of enacted Private & Special Law
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

The effective date for non-emergency legislation enacted in the First Regular Session of the 124th Legislature is September 12, 2009. 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 212 **Resolve, To Study and Develop a Tax Increment Financing Program To Fund the Washington County Development Authority** **ONTP**

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

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, 2010.

LD 218 **An Act To Exempt the United States Flag from Sales Tax** **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SHAW BRYANT B	ONTP	

This bill exempts the sale of the United States flag from sales tax.

LD 224 **An Act To Exempt Certain Senior Residents from the Income Tax** **ONTP**

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

This bill exempts from Maine income tax, including the alternative minimum tax, an individual who is a resident of Maine and at least 75 years of age and whose taxable income is less than \$30,000.

LD 237 **An Act To Impose an Excise Tax on the Extraction of Water for Bottling** **ONTP**

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

This bill creates an excise tax of one cent per gallon on the extraction of groundwater or surface water from springs or other underground sources by a bottled water operator who extracted more than 1,000,000 gallons in the previous calendar year if the water will be packaged for sale in containers of 5 gallons or less. The revenue from the tax is applied 25% to watershed and water quality protection, 50% to tax relief for Maine residents and 25% to the

Joint Standing Committee on Taxation

municipality where the water was extracted in recognition that persons extracting large amounts of groundwater in Maine for sale benefit from the state and local groundwater protection activities.

**LD 265 An Act To Provide a Sales Tax Exemption to Certain Organizations
That Provide Assistance to Members of the Military**

ONTP

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

This bill provides an exemption from Maine sales tax to incorporated, nonprofit organizations that provide assistance to members of the military and their families.

**LD 277 An Act To Clarify the Income-producing Requirement for Land in the
Farm and Open Space Tax Program**

PUBLIC 114

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GOOLEY	OTP-AM	S-89

This bill eliminates the farm income requirement for eligibility for current use valuation of land under the farm and open space tax law.

Committee Amendment "A" (S-89)

This amendment provides that farm income amounts used to demonstrate eligibility under the farm and open space tax laws must be from the sale of agricultural products as defined in the Maine Revised Statutes, Title 7, section 152.

Enacted Law Summary

Public Law 2009, chapter 114 provides that farm income amounts used to demonstrate eligibility under the farm and open space tax laws must be from the sale of agricultural products as defined in the Maine Revised Statutes, Title 7, section 152.

LD 313 An Act To Add a Fuel Oil Benefit to the Circuitbreaker Program

ONTP

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

This bill provides relief to homeowners and renters for the cost of petroleum-based heating fuel by adding 50% of those costs to the base used to calculate benefits under the Maine Residents Property Tax Program, also known as the Circuitbreaker Program. Under this bill benefits are made available to persons whose property taxes and heating costs exceed 4% of their income. Income eligibility levels and benefit maximums are not changed.