

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

This bill allows for tax increment financing proceeds reserved for use by municipalities to be used for expenses relating to recreational trails to enhance recreational opportunities to promote economic growth.

Committee Amendment "A" (H-93)

This amendment provides that the allowable uses of tax increment financing proceeds for recreational trails may be located outside the tax increment financing district as long as they are located within the municipality. The amendment also requires that allowable recreational trails must be determined by the Department of Economic and Community Development to have significant potential to promote economic development.

Enacted Law Summary

Public Law 2009, chapter 85 allows for tax increment financing proceeds reserved for use by municipalities to be used for expenses relating to recreational trails to enhance recreational opportunities to promote economic growth. Trails may be located outside the tax increment financing district as long as they are located within the municipality. Trails must be determined by the Department of Economic and Community Development to have significant potential to promote economic development.

LD 540 An Act To Promote Forest Certification and Long-term Forest Management

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WATSON	OTP-AM	H-209

This bill changes the existing income tax credit for owners of forest land who have a management plan prepared by a professional forester from a maximum of \$200 every 10 years to \$400 in any 10-year period and adds forest certification and recertification costs as an allowed credit toward the \$400 cap.

Committee Amendment "A" (H-209)

This amendment reorganizes the language of the credit for clarity.

LD 540 was placed on the Special Appropriations Table and died on adjournment.

LD 545 An Act To Amend the Tax Exemption Regarding Leased Property

PUBLIC 425

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BLISS	OTP-AM MAJ ONTP MIN	S-142

This bill amends the tax exemption for the property of institutions and organizations to limit the tax exemption for leased property used by hospitals, health maintenance organizations or blood banks to personal property only.

Committee Amendment "A" (S-142)

This amendment delays until 2012 the implementation of the restriction of the property tax exemption for leased property used by a hospital, health maintenance organization or blood bank.

Joint Standing Committee on Taxation

Enacted Law Summary

Public Law 2009, chapter 425 amends the tax exemption for the property of institutions and organizations to limit the tax exemption for leased property used by hospitals, health maintenance organizations or blood banks to personal property only beginning in 2012.

**LD 553 An Act To Amend the Laws Governing Abatement of Property Taxes
Due to Infirmity or Poverty** **ONTP**

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

This bill amends the laws governing abatement of property taxes due to infirmity or poverty in 3 ways. The bill clarifies that a decision regarding an application for a poverty abatement may be deferred until the usual period to pay the property taxes has expired and the tax collector takes action to enforce the lien or is within 30 days of taking such action. The bill also clarifies that the value of real and personal property owned by the applicant may be considered as available to contribute to the public charges as long as use of that property for that purpose does not impair the ability of the applicant to remain in the applicant's residence and provide for the applicant's basic needs. The bill also authorizes the municipal officers or the State Tax Assessor to either grant an abatement to an applicant determined eligible for relief or waive the tax lien foreclosure according to the process generally available under law, except that under this type of waiver any subsequent enforcement of the tax lien is available only when the property is sold or transferred.

**LD 588 An Act To Amend the Excise Tax on Motor Vehicles To Reflect
Depreciation** **Carried Over**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PILON PERRY J		

This bill changes the formula for calculation of the motor vehicle excise tax and provides that the rate of the motor vehicle excise tax remains unchanged throughout the life of the vehicle but the base depreciates over the same 6-year period from 95% of the maker's list price to 15% of the maker's list price to reflect the depreciating actual value of the vehicle.

This bill was carried over to any special or regular session of the 124th Legislature by joint order, H.P. 1053.

LD 589 An Act To Encourage the Production of Liquid Biofuels **DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BUTTERFIELD	OTP-AM	H-119