

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
124<sup>TH</sup> LEGISLATURE  
FIRST REGULAR SESSION



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

**JOINT STANDING COMMITTEE ON TAXATION**

July 2009

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# STATE OF MAINE

124<sup>TH</sup> 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 124<sup>th</sup> 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 124<sup>th</sup> 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 increases the income tax credit for the production of biofuels from 5¢ per gallon to 15¢ per gallon, enacts an income tax credit equal to 25% of the capital costs of converting an existing wood mass production facility to a facility for the production of wood mass-derived biofuel and appropriates \$500,000 in fiscal year 2009-10 for the Maine Technology Institute to fund research into cost-effective technology to convert forest resources to biofuels.

### **Committee Amendment "A" (H-119)**

This amendment removes from the bill an appropriation for research into cost-effective technology to convert forest resources to biofuels.

LD 589 was placed on the Special Appropriations Table and died on adjournment.

### **LD 590 An Act To Establish a Wellness Tax Credit**

**ACCEPTED ONTP  
REPORT**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| GILES<br>MARRACHE | OTP-AM MAJ<br>ONTP MIN  |                           |

This bill provides an income tax credit to employers of 20 or fewer employees for the expense of developing, instituting and maintaining wellness programs for their employees in the amount of \$100 per employee, up to a maximum of \$2,000. A wellness program includes programs for behavior modification, such as smoking cessation programs, equipping and maintaining an exercise facility and providing incentive awards to employees who exercise regularly. The tax credit is paid for with funds from the Fund for a Healthy Maine.

### **LD 618 An Act To Reduce Income Tax on Capital Gains**

**ACCEPTED ONTP  
REPORT**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| SMITH D           | ONTP MAJ<br>OTP-AM MIN  |                           |

This bill excludes from both the individual and corporate income tax one half of net long-term capital gains.

### **LD 647 An Act To Provide Tax Relief for Retired Veterans Operating Businesses in Maine**

**ONTP**

| <u>Sponsor(s)</u>          | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|----------------------------|-------------------------|---------------------------|
| CORNELL DU HOUX<br>PERRY J | ONTP                    |                           |

This bill provides an income tax deduction for 50% of military retirement benefits for a veteran who operates a business in the State with at least one employee who is not related to the veteran.