

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 659 An Act To Remove the Sales Tax on Certain Watercraft

Carried Over

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PILON PERRY J		H-398

This bill amends the sales tax exemption for the sale of watercraft, the sale of materials for watercraft construction and the sale of materials for watercraft repair, alteration, refitting, reconstruction, overhaul and restoration if the sale is made to a nonresident and the watercraft is intended to be transported outside the State by extending the exemption to all persons and without regard to whether the watercraft will remain in the State.

Committee Amendment "A" (H-398)

This amendment changes the sales tax exemption for watercraft and related materials sold to nonresidents to eliminate the requirement that the watercraft be removed from the State immediately upon delivery by the seller.

This bill was placed on the Special Appropriations Table, recommitted to the Taxation Committee and carried over to any special or regular session of the 124th Legislature by joint order, H.P. 1053.

LD 662 An Act To Phase Out the Distribution of the Disproportionate Tax Burden Fund under the State-municipal Revenue Sharing Program over a 5-year Period

Carried Over

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

This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to gradually restore over a 5-year period the system of distributing state-municipal revenue sharing to the system that was in place prior to 2000 by reestablishing the pre-2000 Local Government Fund system as the sole method of distributing state-municipal revenue sharing on and after fiscal year 2014-15.

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

LD 666 An Act To Clarify When the Rental of a Car Is Exempt from Sales and Use Tax

DIED BETWEEN HOUSES

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

This bill provides that the sales tax exemption for the use of a vehicle provided by a new vehicle dealer to a service customer on a short-term basis free of charge pursuant to a warranty applies when the vehicle is provided either by

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the dealer directly or through a 3rd-party rental agreement.

LD 670 An Act To Make Health Insurance More Affordable

ONTP

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

This bill provides an income tax deduction for health insurance premiums not otherwise deducted for individual taxpayers and their dependents.

LD 671 An Act To Exempt Clean Fuel Vehicles from Sales Tax

ONTP

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

This bill exempts from sales tax sales and leases of clean fuel motor vehicles.

**LD 740 An Act To Validate the Property Tax Commitments in the Towns That
are Members of Community School District No. 9**

**P & S 6
EMERGENCY**

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

This bill validates the property tax commitments executed by the 6 municipalities that make up Community School District No. 9 in 2008, all of which committed their 2008 taxes late for reasons of financial necessity because the budget of the district had yet to be approved by the voters.

Enacted Law Summary

Private and Special Law 2009, chapter 6 validates the property tax commitments executed by the 6 municipalities that make up Community School District No. 9 in 2008, all of which committed their 2008 taxes late for reasons of financial necessity because the budget of the district had yet to be approved by the voters.

Private and Special Law 2009, chapter 6 was enacted as an emergency measure effective April 16, 2009.