

# 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*

**LD 1215    An Act To Correct Administrative Procedures Regarding the Dental Care Access Credit**

**PUBLIC 141  
EMERGENCY**

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

This bill makes changes to the administration of the dental care access income tax credit in order to permit timely implementation of the credit. It amends the definition of "oral health program" and gives the Department of Health and Human Services the authority to adopt rules pertaining to the dental care access credit. The bill also corrects a conflict that was created by 2 public laws enacting the same provision of law with substantively different content.

**Enacted Law Summary**

Public Law 2009, chapter 141 makes changes to the administration of the dental care access income tax credit in order to permit timely implementation of the credit.

Public Law 2009, chapter 141 was enacted as an emergency measure effective May 14, 2009.

**LD 1217    An Act To Provide an Income Tax Credit for Property Tax Relief**

**ONTP**

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

This bill provides a refundable income tax credit equal to 25% of property tax paid on a homestead during the tax year up to a maximum of \$500.

**LD 1233    An Act To Provide Property Tax Relief to Senior Citizens**

**ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WEAVER NASS R	ONTP	

This bill allows a municipality, by vote of its residents, to establish a municipal property tax deferral program. The program would allow a resident who is at least 65 years of age and whose annual income is not more than 300% of the poverty level to pay property taxes on that person's homestead at the rate that was in effect during the year the person attained at least 65 years of age, the date the person purchased the homestead or April 1, 2009, whichever is latest. The payment remains at that level until the residence is sold or transferred, the person elects to stop participating or the person is no longer eligible to participate in the program. At that time, all property taxes assessed on the property but deferred because of participation in the program must be paid to the municipality. Deferred taxes that are not paid within the required time accrue interest. In order to offset the temporary loss of revenue caused by persons participating in the program, the municipality may, upon approval of its voters, impose an additional assessment of up to 2% of the taxes deferred upon property in

***Joint Standing Committee on Taxation***

the municipality. The revenue from the additional assessment must be kept in a dedicated escrow account and used solely for the administrative costs of the program.

The bill requires the Department of Administrative and Financial Services, Bureau of Revenue Services to reimburse a municipality and the Unorganized Territory Education and Services Fund for any state-mandated costs.

**LD 1235     An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2009-10 and To Make Other Changes Related to the Municipal Cost Components**

**PUBLIC 303  
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM   MAJ ONTP    MIN	H-422  H-453   WATSON

This bill establishes municipal cost components for state and county services provided to the unorganized territory that would be paid for by a municipality. The municipal cost components form the basis for the property tax for the unorganized territory.

**Committee Amendment "A" (H-422)**

This amendment increases the municipal cost components for education and the Maine Land Use Regulation Commission - Operations to account for changes made in other legislation. The amendment also expresses the intent of the Legislature to extend the growth limitation for the state component of the municipal cost component by \$1,475,109 and to increase the growth limitation for the state component of the municipal cost component by the remainder required. In addition, this amendment strikes from the bill the notation regarding approved tax enhancement programs and eliminates the language in the statutes that requires such notations.

**House Amendment "A" To Committee Amendment "A" (H-453)**

This amendment corrects clerical errors.

**Enacted Law Summary**

Public Law 2009, chapter 303 establishes municipal cost components for state and county services provided to the unorganized territory that would be paid for by a municipality. The municipal cost components form the basis for the property tax for the unorganized territory.

Public Law 2009, chapter 303 was enacted as an emergency measure effective June 8, 2009.

**LD 1251     An Act To Reduce the Cost of Permitting of Business Development**

**ONTP**

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

This bill provides an income tax credit for certain studies, analyses and natural resource inventories required as part of certain major state environmental permitting laws. The credit is allowed only if the permit is granted and is based on the cost of the qualifying expenditures and the amount of new property value created. The results of studies must be available to the public.