

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

the revenue, 25%, would be deposited in the General Fund.

LD 1385 An Act To Create an Energy Conservation Measures Tax Credit

ONTP

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

This bill provides an income tax credit of up to \$250 annually, for tax years beginning on or after January 1, 2009 but before January 1, 2011, to a person who pays out-of-pocket costs to purchase and install energy conservation measures for a residence occupied by that person, such as insulation and caulking, energy-conserving windows and doors and automatic energy control systems.

LD 1390 Resolve, Directing the State Tax Assessor To Adjust the State Valuation for the Town of Topsham

**RESOLVE 116
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GOODALL	OTP-AM	S-188

This resolve directs the State Tax Assessor to adjust the 2009 state valuation for the Town of Topsham to correct an error that resulted in the valuation being lower than it should be.

Committee Amendment "A" (S-188)

This amendment incorporates a fiscal note.

Enacted Law Summary

Resolve 2009, chapter 116 directs the State Tax Assessor to adjust the 2009 state valuation for the Town of Topsham to correct an error that resulted in the valuation being lower than it should be.

Resolve 2009, chapter 116 was enacted as an emergency measure effective June 9, 2009.

LD 1392 An Act To Promote Economic Development and Reduce Reliance on Automobiles through Transit-oriented Tax Increment Financing Districts

PUBLIC 314

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BLISS	OTP-AM MAJ OTP-AM MIN	S-295

This bill establishes authority for creation of transit-oriented development districts under the tax increment financing laws to define the parameters for transit districts and the permissible transit-oriented uses of TIF funds.

Committee Amendment "A" (S-295)

Joint Standing Committee on Taxation

This amendment makes changes to clarify and simplify the provisions of the bill.

Enacted Law Summary

Public Law 2009, chapter 314 establishes authority for creation of transit-oriented development districts under the tax increment financing laws to define the parameters for transit districts and the permissible transit-oriented uses of TIF funds.

LD 1401 An Act To Make Minor Substantive Changes to the Tax Laws

PUBLIC 361

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WATSON PERRY J	OTP-AM	H-482

This bill makes the following changes to the laws governing taxation.

It changes procedures for certification of eligibility for the income tax credit for rehabilitation of historic properties including moving language regarding the responsibility of the Maine State Housing Authority to the Maine Revised Statutes, Title 30-A, chapter 201, which establishes and controls the Maine State Housing Authority.

It authorizes the State Tax Assessor to enter into agreements with other states or the Federal Government to set off tax refunds payable by each state or the Federal Government against tax debts owed to the other state or the Federal Government, and clarifies that restitution payable to the Department of Administrative and Financial Services, Bureau of Revenue Services as part of a sentence imposed for a criminal or tax law violation is a tax debt for purposes of such a setoff or a setoff against a federal tax refund.

It establishes a consistent method for treating certain tax law violations as a prior conviction when determining a sentence for a subsequent tax law violation.

It clarifies that amounts payable by the State to a person may be assigned to the State Tax Assessor and applied to restitution payable to the Bureau of Revenue Services as part of a sentence imposed for a criminal or tax law violation.

It provides authority for the State Tax Assessor to disclose to duly authorized officers of the Federal Government and of other state governments information necessary to administer a set-off agreement with those governments. It also corrects a numbering problem created by Public Law 2007, chapters 539, 693 and 694, which enacted 4 substantively different provisions with the same paragraph letter.

It enacts an exemption from the service provider tax for sales to an incorporated nonprofit medical clinic, for consistency with a change to the sales and use tax law enacted in the First Regular Session of the 123rd Legislature. It designates the document filed by a distributor when obtaining cigarette stamps as a tax return, allows a licensed distributor to sell unstamped cigarettes to another licensed distributor with appropriate documentation and establishes a consistent rule for treating certain tax law violations as a prior conviction when determining a sentence for a subsequent tax law violation.

It clarifies the types of business entities that qualify for an exemption from real estate transfer tax on deeds made pursuant to a merger or consolidation.

It allows a dealer owing no more than \$1,000 per year for the tax on mahogany quahogs to file annual returns.

It clarifies the procedures for calculating and certifying the income tax credit for rehabilitation of historic properties.

It clarifies that income tax refunds may be set off and applied to restitution payable to the Bureau of Revenue Services as part of a sentence imposed for a tax law violation.

It repeals a requirement for annual reporting of the projected costs of benefits for the current biennium and ensuing 2 biennia under the business equipment tax reimbursement program.

It simplifies and clarifies the State's procedures for payment of employment tax increment financing reimbursements.

It simplifies and clarifies the State's procedures for payment of media production reimbursements.

It corrects a cross-reference and authorizes Internet publication by the State Tax Assessor of certain information