

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals  
(may include minor formatting differences from printed original)

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



Summaries of bills, adopted amendments and laws enacted or finally passed

**JOINT STANDING COMMITTEE ON TAXATION**

July 2011

**STAFF:**

ELIZABETH F. COOPER, LEGISLATIVE ANALYST  
SCOTT MILLER, LEGISLATIVE ANALYST  
OFFICE OF FISCAL AND PROGRAM REVIEW  
5 STATE HOUSE STATION  
AUGUSTA, ME 04333  
(207) 287-1635

**MEMBERS:**

SEN. A. DAVID TRAHAN, CHAIR  
SEN. DAVID R. HASTINGS, III  
SEN. RICHARD G. WOODBURY

REP. L. GARY KNIGHT, CHAIR  
REP. G. PAUL WATERHOUSE  
REP. BRUCE A. BICKFORD  
REP. PAUL EDWARD BENNETT  
REP. DAVID R. BURNS  
REP. R. RYAN HARMON  
REP. SETH A. BERRY  
REP. DONALD E. PILON  
REP. MARK E. BRYANT  
REP. ELSPETH M. FLEMINGS

STATE OF MAINE  
125<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 LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 125<sup>th</sup> Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD 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 LD is noted to the right of the LD title. The following describes the various final actions.

*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; legislation died  
*DIED BETWEEN HOUSES*..... House & Senate disagreed; legislation died  
*DIED IN CONCURRENCE*..... defeated in each house, but on different motions; legislation died  
*DIED ON ADJOURNMENT*..... action incomplete when session ended; legislation died  
*EMERGENCY*..... enacted law takes effect sooner than 90 days after session adjournment  
*FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE* ..... emergency failed to receive required 2/3 vote  
*FAILED, ENACTMENT or FINAL PASSAGE*..... failed to receive final majority vote  
*FAILED, MANDATE ENACTMENT* ..... legislation proposing local mandate failed required 2/3 vote  
*HELD BY GOVERNOR*..... Governor has not signed; final disposition to be determined at subsequent session  
*LEAVE TO WITHDRAW*..... sponsor's request to withdraw legislation granted  
*NOT PROPERLY BEFORE THE BODY* ..... ruled out of order by the presiding officer; legislation died  
*INDEF PP*..... indefinitely postponed; legislation died  
*ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X*... ought-not-to-pass report accepted; legislation died  
*P&S XXX*..... chapter # of enacted private & special law  
*PUBLIC XXX*..... chapter # of enacted public Law  
*RESOLVE XXX*..... chapter # of finally passed resolve  
*VETO SUSTAINED*..... Legislature failed to override Governor's veto

The effective date for non-emergency legislation enacted in the First Regular Session of the 125<sup>th</sup> Legislature is September 28, 2011. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

**Joint Standing Committee on Taxation**

**LD 176      An Act Regarding Sales and Use Tax Audit Procedures and Enforcement      ONTP**

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

This bill prohibits the retroactive assessment of sales and use tax when a taxpayer who should have collected or paid the tax does not have reason to know that sales or use tax applies to that type of transaction. The bill specifies situations in which a person has reason to know that a sales or use tax applies.

**LD 185      An Act To Refund the Sales Tax Paid on Fuel Used in Commercial Groundfishing Boats      DIED ON ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MACDONALD TRAHAN	OTP-AM	H-53 H-87    MACDONALD

This bill requires the refund of sales tax on purchases of fuel for use in a commercial fishing vessel and permits the issuance of a certificate permitting the purchases of such fuel without paying sales tax if the purchaser obtains a certificate verifying eligibility from the State Tax Assessor.

**Committee Amendment "A" (H-53)**

This amendment limits the tax refund proposed in the bill to the tax paid on fuel for commercial groundfishing boats. It also adds a section to exclude this type of purchase from the use tax as well.

**House Amendment "A" To Committee Amendment "A" (H-87)**

This amendment expands the tax refund proposed in Committee Amendment "A" to apply to all commercial fishing vessels. The House Amendment provides the credit as provided for in the original bill.

This bill was placed on the Special Appropriations Table and died on adjournment. See LD 1043, Part EEEE.

**LD 191      An Act To Define Lienholder Rights under the Maine Tree Growth Tax Law      MAJORITY (ONTP) REPORT**

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

This bill requires a tax assessor to notify a lienholder that requests notification for land classified under the Maine Tree Growth Tax Law at the same time the landowner is notified of the need to provide information about a forest

**Joint Standing Committee on Taxation**

management and harvest plan.

The minority report clarifies that if a lienholder requests notification for land classified under the Maine Tree Growth Tax Law at the same time the landowner is notified of the need to provide information about a forest management and harvest plan, the notification requirements apply to both the landowner and lienholder rather than one or the other as stated in the bill. It also requires the lienholder to reimburse the municipality or assessor providing the notification for all expenses associated with the service. This minority report was not adopted.

**LD 195      An Act To Provide Relief from Estate Tax Valuation Requirements for Surviving Spouses      ONTP**

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

This bill requires the State Tax Assessor to waive the requirement that a surviving spouse provide a valuation of an estate if there is no reasonable likelihood that an estate tax is owed on the estate.

**LD 205      An Act To Provide a Sales Tax Exemption to Incorporated Nonprofit Performing Arts Organizations      HELD BY GOVERNOR**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GERZOFSKY	OTP-AM MAJ ONTP MIN	S-342 ROSEN R S-90

This bill provides a sales tax exemption for sales to incorporated nonprofit performing arts organizations.

**Committee Amendment "A" (S-90)**

This amendment adds an effective date of October 1, 2011.

**Senate Amendment "A" To Committee Amendment "A" (S-342)**

This amendment changes the effective date from October 1, 2011 to October 1, 2012.

**Enacted Law Summary**

This bill was enacted but as of this printing, had not been acted upon by the Governor and, pursuant to Art. IV, Part 3rd, Sec. 2 of the Maine Constitution, currently has no final disposition. It provides a sales tax exemption, beginning October 1, 2012, for sales to incorporated nonprofit performing arts organizations.