

MAINE STATE LEGISLATURE

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STATE OF MAINE
125TH LEGISLATURE
FIRST REGULAR SESSION



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

JOINT STANDING COMMITTEE ON TAXATION

July 2011

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STATE OF MAINE
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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 125th 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 125th 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

Public Law 2011, chapter 104 allows municipal treasurers to use facsimile signatures in filing and processing tax lien documents and extends the use of facsimile signatures in the processing of sanitary district sewer liens.

**LD 305 RESOLUTION, Proposing an Amendment to the Constitution of Maine Carried Over
To Allow Land and Buildings To Be Assessed Differently**

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

This resolution proposes to amend the Constitution of Maine to allow land to be assessed at a rate different from the rate at which buildings located on that land are assessed.

This resolution was carried over to any special and/or regular session of the 125th Legislature by joint order, H.P. 1190.

**LD 312 An Act To Reinststate the Fund for the Efficient Delivery of Local and ONTP
Regional Services**

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

This bill reestablishes the Fund for the Efficient Delivery of Local and Regional Services originally established by Initiated Bill 2003, chapter 2 and eliminated in 2009.

**LD 338 An Act To Provide an Income Tax Credit for Persons Engaged in HELD BY
Commercial Forestry GOVERNOR**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
JACKSON	ONTP MAJ OTP-AM MIN	S-367 ROSEN R

This bill allows an income tax credit to an employer in the logging industry that employs residents of the State who are engaged primarily in the harvesting of timber in this State. The credit is equal to \$2,500 for each full-time equivalent employee.

Senate Amendment "A" (S-367)

This amendment replaces the per employee income tax credit to an employer in the logging industry that employs residents of the State to harvest timber in this State with a credit equal to the tax paid during the taxable year on fuel used by the employer for commercial forestry up to a maximum credit of \$1,000. The amendment also delays the application to tax years beginning on or after January 1, 2013 and adds an appropriations and allocations section.

Enacted Law Summary

Joint Standing Committee on Taxation

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 allows a credit equal to the tax paid during the taxable year on fuel used by the employer for commercial forestry up to a maximum credit of \$1,000 beginning on or after January 1, 2013.

LD 358 An Act To Exempt from the Income Tax Military Survivors Annuity Payments PUBLIC 138

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HARMON THIBODEAU	OTP-AM	H-136

This bill provides an income tax exemption to persons who are 65 years of age or older for retirement income from an employment-based retirement plan and maintains the current limited retirement benefit exemption for person under 65 years of age. The bill also provides an income tax exemption for military death payments.

Committee Amendment "A" (H-136)

The amendment changes the income tax exemption for military death payments from death gratuities, which are already tax exempt, to exempting certain annuity payments that are currently taxed. It also removes provisions that provide an income tax exemption to persons who are 65 years of age or older for retirement income from an employment-based retirement plan and maintains the current limited retirement benefit exemption.

Enacted Law Summary

Public Law 2011, chapter 138 exempts certain annuity payments made under a military survivor benefit plan or reserve component survivor plan pursuant to 10 United States Code, Chapter 73.

LD 396 An Act To Amend the Law Governing Sales Tax Exemptions for Certain Nonprofit Youth Organizations DIED ON ADJOURNMENT

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SHERMAN	OTP-AM	S-88

This bill expands the sales tax exemption for nonprofit youth organizations whose primary purpose is to provide athletic instruction in a nonresidential setting to include nonprofit youth organizations whose primary purpose is to provide arts instruction in a nonresidential setting.

Committee Amendment "A" (S-88)

This amendment incorporates a fiscal note.

This bill was placed on the Special Appropriations Table and died on adjournment. See LD 205.