

# MAINE STATE LEGISLATURE

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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

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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 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 436      An Act To Base the Motor Vehicle Excise Tax on the Purchase Price of a Motor Vehicle      ONTP**

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

This bill changes the method of computing the excise tax that is levied on motor vehicles and camper trailers registered in the State. With the exception of commercial motor vehicles and special mobile equipment, current law requires that the excise tax be based upon the maker's list price for the motor vehicle; the excise tax on commercial motor vehicles and special mobile equipment is based on the purchase price.

This bill requires that the excise tax for all motor vehicles and camper trailers be based upon the purchase price of the vehicle and defines "purchase price" as the actual amount of money financed or paid by the consumer after any rebates or discounts. Either the original bill of sale or the state sales tax document may be used to verify the purchase price.

**LD 441      An Act To Reform Telecommunications Taxation      PUBLIC 430**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CHASE WOODBURY	OTP-AM MAJ ONTP MIN	H-477 S-347 ROSEN R

**Committee Amendment "A" (H-477)**

The amendment replaces the bill and changes the title of the bill. The amendment replaces the telecommunications personal property tax with an excise tax on telecommunications businesses for the privilege of operating in the State. The excise tax is equal to the just value of qualified telecommunications equipment taxed at a rate of 19 mills in fiscal year 2012. For fiscal year 2013 and subsequent years, the State Tax Assessor will apply the tax rate of the municipality or the unorganized territory in which the qualified telecommunications equipment is located to the just value of the equipment as adjusted by the municipality's or the unorganized territory's certified assessment ratio. The amendment establishes procedures for the assessment, collection and appeal of the excise tax. It provides for routine technical rules to implement this legislation.

**Senate Amendment "A" To Committee Amendment "A" (S-347)**

This amendment increases the tax rate for the state telecommunications excise tax from 19 mills to 19.2 mills for assessments in 2012.

**Enacted Law Summary**

Public Law 2011, chapter 430 replaces the telecommunications personal property tax with an excise tax on telecommunications businesses for the privilege of operating in the State. The excise tax is equal to the just value of qualified telecommunications equipment taxed at a rate of 19.2 mills in fiscal year 2012. For fiscal year 2013 and subsequent years, the State Tax Assessor will apply the tax rate of the municipality or the unorganized territory in which the qualified telecommunications equipment is located to the just value of the equipment as adjusted by the

*Joint Standing Committee on Taxation*

municipality's or the unorganized territory's certified assessment ratio. Public Law 2011, chapter 430 establishes procedures for the assessment, collection and appeal of the excise tax. It provides for routine technical rules to implement this law.

**LD 451      Resolve, To Study Adoption of the Streamlined Sales and Use Tax Agreement      MAJORITY (ONTP) REPORT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DILL C WOODBURY	ONTP MAJ OTP-AM MIN	

This resolve directs the Department of Administrative and Financial Services, Bureau of Revenue Services to identify changes in the sales and use tax laws necessary to conform to the Streamlined Sales and Use Tax Agreement and to submit its report and proposed legislation to the Joint Standing Committee on Taxation by January 15, 2012.

**LD 459      An Act To Improve Municipal Reimbursement under the Maine Tree Growth Tax Law      ONTP**

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

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

This bill proposes to amend the formula under the Maine Tree Growth Tax Law to ensure that municipalities are properly reimbursed.

**LD 462      An Act To Amend the Laws Governing Excise Tax Credits      ONTP**

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

This bill permits the motor vehicle excise tax credit for transfer or total loss of a motor vehicle to be applied to a vehicle or vehicles acquired by the owner or lessee within 30 days after the transfer or total loss. If the credit exceeds the amount transferred to another vehicle, the bill requires the municipality to refund the excess amount.