

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

LD 469 An Act To Increase the Collection of Sales and Use Tax

**MAJORITY
(ONTP) REPORT**

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

This bill requires out-of-state retailers that are not required to collect sales tax and that are part of a controlled group of corporations with a connection in the State to notify purchasers in the State of the obligation to pay sales or use tax and requires those retailers to provide annual statements of purchases to the purchasers and the Department of Administrative and Financial Services, Maine Revenue Services. Fines are provided for failure to provide the required notifications and statements.

LD 474 An Act To Improve the Circuitbreaker Program

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FLEMINGS ALFOND	OTP-AM	H-475

This bill simplifies the Maine Residents Property Tax Program, also referred to as "the Circuitbreaker Program," by simplifying the determination of eligibility, transitioning the application period to the income tax filing period and permitting application to be made through the Department of Health and Human Services' integrated eligibility system. The bill requires the State Tax Assessor to report to the joint standing committee of the Legislature having jurisdiction over taxation matters by January 15, 2014 on the impact of the changes made by this bill.

Committee Amendment "A" (H-475)

This amendment replaces the bill. It prohibits a reduction in benefit under the Circuitbreaker Program to an elderly household claimant with a household member who has attained 65 years of age and chooses the nonelderly household benefit calculation. The benefit for claimants meeting these criteria may not be reduced below 100%. The amendment retains the emergency provisions from the bill.

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

LD 476 An Act To Create a Sales Tax Holiday for Energy-efficient Appliances and Fixtures

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
EDGECOMB SHERMAN	OTP-AM MAJ ONTP MIN	H-337

Joint Standing Committee on Taxation

This bill enacts a provision establishing an annual sales tax holiday on April 18th for the purchase in Maine, free of sales tax, of energy-efficient appliances and fixtures that carry the Energy Star or WaterSense labels granted to certain energy-efficient products by the United States Environmental Protection Agency and the United States Department of Energy. The exemption from sales tax extends to both new and used energy-efficient products that are purchased on April 18th for noncommercial or personal use, when the cost of each such item is \$2,500 or less. The bill also includes a reporting requirement in order to measure the fiscal impact of the sales tax holiday.

Committee Amendment "A" (H-337)

This amendment removes a reporting requirement that was intended to measure the fiscal impact of the sales tax holiday because the required data needed for this analysis is not available. The amendment also adds an appropriations and allocations section to the bill.

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

LD 489 An Act To Exempt Active Duty Armed Services Income from the ONTP
Income Tax

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

This bill exempts from income tax income received by an individual for active duty in the Armed Forces of the United States.

LD 490 An Act To Exempt the Value of Family Farms from the Estate Tax ONTP

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

This bill removes the value of eligible farmland from the calculation of the Maine estate tax. See LD 1147.

LD 500 An Act To Create an Income Tax Checkoff To Benefit Libraries ONTP

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

This bill establishes an income tax checkoff to support free public libraries in the State. The Taxation Committee will review the process for evaluating income tax return check off requests and has carried over another bill for that purpose. See LD 1225.