

MAINE STATE LEGISLATURE

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STATE OF MAINE
125TH LEGISLATURE
SECOND REGULAR SESSION



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

JOINT STANDING COMMITTEE ON TAXATION

June 2012

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STATE OF MAINE

125TH LEGISLATURE
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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 Second 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.

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

The effective date for non-emergency legislation enacted in the Second Regular Session of the 125th Legislature is Thursday, August 30, 2012. 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 590

An Act To Codify the Review Practice of Certain Changes in the Application of the Sales and Use Tax Law

PUBLIC 503

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CHASE SHERMAN	OTP-AM	H-718

This bill was carried over from the First Regular Session of the 125th Legislature.

This bill requires the State Tax Assessor to report to the joint standing committee of the Legislature having jurisdiction over taxation matters prior to implementing any change in policy application or practice of the Department of Administrative and Financial Services, Bureau of Revenue Services regarding the sales and use tax if that change will result in additional revenue. The joint standing committee of the Legislature having jurisdiction over taxation matters is authorized to report out legislation reversing or modifying the change.

Committee Amendment "C" (H-718)

This amendment changes the title and replaces the bill. It codifies and expands upon previously enacted but unallocated law and the current practice of the Department of Administrative and Financial Services, Bureau of Revenue Services related to implementing a significant change in policy, practice or interpretation of the sales and use tax law that would result in additional revenue. It requires the bureau to consult with the Office of the Attorney General to determine if the change should be reviewed by the appropriate legislative committee of oversight prior to implementation. The amendment requires the bureau to notify the committee chairs at least 45 days prior to the implementation of the change in policy, practice or interpretation of the sales and use tax law, if reasonably practicable. It requires the bureau to report annually to the joint standing committee of the Legislature having jurisdiction over taxation matters on the consultation process and to summarize the issues as permitted by law. It also specifies that the provisions proposed in this amendment establish a procedural consultation and reporting requirement to assist routine legislative oversight and do not affect the validity of any assessment or tax liability under current law.

Enacted Law Summary

Public Law 2011, chapter 503 codifies and expands upon previously enacted but unallocated law and the current practice of the Department of Administrative and Financial Services, Bureau of Revenue Services related to implementing a significant change in policy, practice or interpretation of the sales and use tax law that would result in additional revenue. It requires the bureau to consult with the Office of the Attorney General to determine if the change should be reviewed by the appropriate legislative committee of oversight prior to implementation. It requires the bureau to notify the committee chairs at least 45 days prior to the implementation of the change in policy, practice or interpretation of the sales and use tax law, if reasonably practicable. It requires the bureau to report annually to the joint standing committee of the Legislature having jurisdiction over taxation matters on the consultation process and to summarize the issues as permitted by law.