

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
125TH 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
125TH 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 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

Enacted Law Summary

Public Law 2011, chapter 101 authorizes plantations to implement tax increment financing development districts and development programs in the same manner as is currently available to municipalities under the Maine Revised Statutes, Title 30-A, chapter 206. It also allows authorized project costs to include certain capital costs associated with public ways and recreational trails within the tax increment financing development district.

LD 868 An Act To Reform Maine Revenue Services Procedures ONTP

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

This bill requires the Department of Administrative and Financial Services, Bureau of Revenue Services, prior to implementing a change in policy or practice or in interpretation of any law, rule or bulletin that will result in additional revenue to the State, to notify the joint standing committee of the Legislature having jurisdiction over taxation matters and to implement the change through major substantive rulemaking, which is subject to review by the Legislature.

This bill also requires the State Tax Assessor to notify a taxpayer when an audit has been initiated and to record and to preserve all conversations with the taxpayer during the course of the audit.

LD 875 An Act To Provide an Incentive for Unemployed Persons To Become Self-employed ONTP

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

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

This bill, as emergency legislation, proposes to modify the tax laws to provide incentives that will encourage the use of personal assets, such as stocks and individual retirement accounts, and intrafamily loans to provide capital for unemployed persons to start or purchase a business.

LD 876 An Act To Convert Vacant Commercial Property to Occupied Commercial Property Carried Over

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

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

This bill proposes to modify the tax laws to provide incentives that will encourage the improvement of unoccupied

Joint Standing Committee on Taxation

commercial property in order to attract tenants and stimulate business development.

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

LD 895 An Act To Allow the City of Bangor To Replace the Bangor Auditorium and Civic Center at the Bass Park Complex P & S 15

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

This bill facilitates the City of Bangor's ability to incur bonded indebtedness in order to fund a replacement building or structure for the existing Bangor Auditorium and Civic Center. The bill exempts the bonded indebtedness for the project from counting towards the city's statutory debt limit and Penobscot County's aggregate value of municipal general obligation indebtedness financed by the proceeds from tax increment financing districts. The bill also removes a 5-year deadline for completion of the project and extends the 20-year time limit to 30 years for bonded indebtedness incurred by the City of Bangor to finance the project.

Enacted Law Summary

Private and Special Law 2011, chapter 15 facilitates the City of Bangor's ability to incur bonded indebtedness in order to fund a replacement building or structure for the existing Bangor Auditorium and Civic Center. It exempts the bonded indebtedness for the project from counting towards the city's statutory debt limit and Penobscot County's aggregate value of municipal general obligation indebtedness financed by the proceeds from tax increment financing districts. It also removes a 5-year deadline for completion of the project and extends the 20-year time limit to 30 years for bonded indebtedness incurred by the City of Bangor to finance the project.

LD 898 An Act To Reform the Maine Estate Tax ONTP

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

This bill provides a different method of calculation of the Maine estate tax. Instead of calculating the estate tax based on prior federal law, the bill establishes a progressive rate structure for estates that exceed an exemption amount of \$1,000,000 for persons who die after December 31, 2010. See LD 1147.

LD 921 An Act To Clarify the Collection Process for the Commercial Forestry Excise Tax PUBLIC 462

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MCCABE TRAHAN	OTP-AM	H-484

This bill limits the period of assessments for back taxes under the commercial forestry excise tax and provides that landowners who sign an affidavit stating that they were unaware of the requirement to file a return may be assessed