

# 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*

for the current year and the 2 previous years only, without the accumulation of interest or penalties. The bill also directs the State Tax Assessor to evaluate whether an amnesty program might contribute to the State's ability to enforce and collect revenue due under the tax.

### **Committee Amendment "A" (H-484)**

This amendment makes technical changes and removes the requirement that the State Tax Assessor report whether an amnesty program will contribute to the State's ability to collect taxes due under the commercial forestry excise tax. The amendment clarifies that the supplemental assessment may be limited to the prior 3 years if the landowner signs an affidavit stating that the landowner was unaware of the requirement to file a return and that penalties and interest must be waived or abated if the tax is paid within 30 days after receipt of the notice of supplemental assessment. The amendment provides that these provisions apply to property tax years beginning on or after April 1, 2011.

### **Enacted Law Summary**

Public Law 2011, chapter 462 limits the period of the supplemental assessment under the commercial forestry excise tax to the prior 3 years if the landowner signs an affidavit stating that the landowner was unaware of the requirement to file a return and that penalties and interest must be waived or abated if the tax is paid within 30 days after receipt of the notice of supplemental assessment. These provisions apply to property tax years beginning on or after April 1, 2011.

**LD 931      An Act To Ensure Proper Tax Assessment of Property Owners      ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WILLETTE M SHERMAN	ONTP	

This bill requires a municipal property tax assessor, upon receipt of notice of the transfer of property, to note the new owner on the tax records and issue any assessment due after the date of transfer to that new owner.

**LD 946      An Act To Amend the Sales and Use Tax Exemption for Aircraft      DIED ON  
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RAYE	OTP-AM	S-155

This bill amends the existing sales, storage and use tax exemption for an aircraft purchased outside of the State by a nonresident by removing limitations on the use of the aircraft in this State during the 12 months following purchase.

### **Committee Amendment "A" (S-155)**

This amendment changes the bill by expanding the current exemption from sales and use tax for aircraft purchased or leased by a nonresident and immediately transported out of the State and for certain other specifically designated aircraft to include sales and leases of all aircraft by a person, regardless of the type of aircraft or the state of residency of the purchaser. The amendment also expands the exemption to include sales of repair and replacement parts used exclusively in aircraft and in the overhauling and rebuilding of aircraft. It retains the bill's original provision to amend the existing sales, storage and use tax exemption for an aircraft purchased outside of the State by

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a nonresident by removing limitations on the use of the aircraft in this State during the 12 months following purchase.

This bill was placed on the Special Appropriations Table and died on adjournment. See LD 1043, Part GGGG.

**LD 961      An Act To Exempt Internet Sales from the Sales and Use Tax      INDEF PP**

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

This bill provides a sales and use tax exemption for sales made over the Internet.

**LD 965      Resolve, Directing the Bureau of Revenue Services To Provide Guidance      MAJORITY  
Regarding the Valuation of Residential Alternative Energy      (ONTP) REPORT  
Infrastructure**

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

This resolve directs the Department of Administrative and Financial Services, Bureau of Revenue Services to develop guidance for municipalities with regard to the valuation of alternative energy infrastructure used for residential purposes.

**LD 991      An Act To Establish the Maine New Markets Capital Investment      DIED ON  
Program      ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RAYE	OTP-AM	S-299

This bill enacts the Maine New Markets Capital Investment Program in order to attract investment in economically distressed areas of Maine. The program is modeled after the federal New Markets Tax Credit Program.

**Committee Amendment "A" (S-299)**

This amendment replaces the bill and establishes the Maine New Markets Capital Investment Program, which is modeled after the Federal New Markets Income Tax Credit, IRS Code 45D.

Under the program, the Finance Authority of Maine (FAME) receives applications from Qualified Community Development Entities," which may be approved for specific allocations of qualified investments eligible for the credit. FAME certifies qualified investments, with the maximum of qualified investments in Maine equal to