

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 1216 An Act To Impose an Excise Tax on the Extraction of Water for Bottling ONTP

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

This bill creates an excise tax of 1¢ per gallon on the extraction of surface water or groundwater from springs or other underground sources by a bottled water operator who packages water for sale in containers of 5 gallons or less and who extracted more than 1,000,000 gallons in the previous calendar year.

LD 1225 An Act To Create an Income Tax Return Checkoff To Fund Cancer Screening, Detection and Prevention Carried Over

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
STRANG BURGESS RAYE		

This bill creates a checkoff on the income tax form to allow tax filers to donate to the Comprehensive Cancer Screening, Detection and Prevention Fund for funding the cancer prevention and control program.

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

LD 1226 An Act To Prevent and Treat Cancer in Maine by Implementing Critical Portions of the Comprehensive Cancer Program MAJORITY (ONTP) REPORT

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

This bill provides funding for a portion of the cancer prevention and control program plan originally enacted into law during the First Regular Session of the 123rd Legislature by providing an ongoing Other Special Revenue Funds allocation for a comprehensive cancer screening, detection and prevention program. This bill requires all tobacco products other than cigarettes to be taxed at the rate of \$2.00 per ounce to provide the funding.

LD 1235 An Act To Allow a Tax-free Employee Illness Account ONTP

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

Joint Standing Committee on Taxation

This bill allows an employer to establish an illness account for employees who do not receive compensated sick leave. Both the employer and employee may contribute to the illness account up to an amount equal to one week of the employee's wages, and the employee may withdraw funds from the account equal to one hour of the employee's wages for every hour the employee is unable to perform the employee's duties due to illness. The employee may also withdraw an amount up to the entire amount in the illness account once every year. The funds contributed to the account are not subject to state unemployment tax or income tax.

LD 1259 An Act To Encourage Computer Data Center Development

ONTP

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

This bill provides a sales tax refund or exemption for sales of eligible server equipment, eligible power infrastructure and electronic data storage and data management services to an eligible computer data center that begins operation between October 1, 2011 and October 1, 2014. A qualifying business must add at least 20 jobs with above-average wages within 6 years after the business first becomes eligible or the amount of exempt or refunded taxes plus interest will be recaptured by the State.

LD 1266 An Act To Protect Municipalities That Host Wind Energy Developments

**MAJORITY
(ONTP) REPORT**

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

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

This bill proposes to create a mechanism to protect a community that hosts a wind energy development against financial loss regarding agreements related to that development. This bill proposes to provide a host community with a secured claim under a community benefit agreement under the Maine Revised Statutes, Title 35-A, section 3454, a tax increment financing agreement under Title 30-A, chapter 206 or any other financial arrangement that exposes a municipality to financial risk in the event a wind energy development becomes insolvent and with payment in lieu of taxes in the event a wind energy development becomes insolvent. In addition, the bill proposes to address issues related to the value of a wind energy development by creating an assessment methodology that considers the accelerated depreciation schedule for wind energy development equipment when determining the tax increment financing value or other assessment value to ensure the municipality is not exposed to undue risk.