

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
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 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

denial; and

2. Allowing a person whose abatement based on the valuation of property is denied to obtain, prior to appealing the denial, 2 appraisals of the property for which the abatement is requested and submit these as proof of value to the assessors or municipal officers who denied the abatement application. The assessors or municipal officers may either accept the average of the appraisals as proof of value and allow the abatement or deny the abatement and file an appeal with the Superior Court or board of assessment review; the scope of the appeal is limited to the validity of the appraisals.

LD 1325

An Act To Amend the Tax Laws

PUBLIC 285

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| KNIGHT | OTP-AM MAJ ONTP MIN | H-461 |

This bill makes the following changes to the laws governing taxation.

1. It eliminates the requirement that a visual media production company submit a copy of its certified visual media production report to the State Tax Assessor.
2. It imposes a specific requirement that, if the sales tax is not separately stated, a retailer must include a statement on the sales slip or invoice presented to the purchaser that the stated price includes Maine sales tax.
3. In Public Law 2009, chapter 620, the Legislature changed the law to provide for a reduced sales tax rate for watercraft purchased and kept in the State or brought into the State by nonresidents for more than 30 days. The bill clarifies the intent of the Legislature in changing the Maine Revised Statutes, Title 36, section 1760, subsection 25 to exempt from sales and use tax watercraft used in this State for no more than 30 days by a nonresident. The bill also repeals redundant language. The bill provides for a retroactive application of these changes to the effective date of Public Law 2009, chapter 620.
4. It clarifies and expands provisions enacted by Public Law 2009, chapter 632 that require the State Tax Assessor to post certain information relating to products used in commercial agricultural or silvicultural crop production or in animal agricultural production on the publicly accessible website of the Department of Administrative and Financial Services, Bureau of Revenue Services.
5. It removes the requirement that the State Tax Assessor issue classified permits to registered retailers and clarifies that only individual taxpayers may report sales tax on casual rentals of living quarters on their individual income tax returns. The bill provides that classified permits previously issued remain in effect.
6. It requires persons making delivery sales of cigarettes or tobacco products to obtain a distributor's license and pay Maine taxes, as provided by federal law.
7. It applies the criminal penalties for filing a false tax return or document to false tax returns and documents filed electronically.

Committee Amendment "A" (H-461)

This amendment provides that the sales tax exemption for Pine Tree Development Zone businesses applies to the sale of the transmission and distribution of electricity to those businesses.

Joint Standing Committee on Taxation

Enacted Law Summary

Public Law 2011, chapter 285 makes the following changes to the laws governing taxation.

1. It eliminates the requirement that a visual media production company submit a copy of its certified visual media production report to the State Tax Assessor.
2. It imposes a specific requirement that, if the sales tax is not separately stated, a retailer must include a statement on the sales slip or invoice presented to the purchaser that the stated price includes Maine sales tax.
3. It clarifies the intent of the Legislature in changing the Maine Revised Statutes, Title 36, section 1760, subsection 25 to exempt from sales and use tax watercraft used in this State for no more than 30 days by a nonresident and repeals redundant language. This is related to Public Law 2009, chapter 620, which changed the law to provide for a reduced sales tax rate for watercraft purchased and kept in the State or brought into the State by nonresidents for more than 30 days. Public Law 2011, chapter 285 provides for a retroactive application of these changes in section 1760 to be consistent with the effective date of Public Law 2009, chapter 620.
4. It clarifies and expands provisions enacted by Public Law 2009, chapter 632 that require the State Tax Assessor to post certain information relating to products used in commercial agricultural or silvicultural crop production or in animal agricultural production on the publicly accessible website of the Department of Administrative and Financial Services, Bureau of Revenue Services.
5. It removes the requirement that the State Tax Assessor issue classified permits to registered retailers and clarifies that only individual taxpayers may report sales tax on casual rentals of living quarters on their individual income tax returns. It provides that classified permits previously issued remain in effect.
6. It requires persons making delivery sales of cigarettes or tobacco products to obtain a distributor's license and pay Maine taxes, as provided by federal law.
7. It applies the criminal penalties for filing a false tax return or document to false tax returns and documents filed electronically.
8. It provides that the sales tax exemption for Pine Tree Development Zone businesses applies to the sale of the transmission and distribution of electricity to those businesses.

LD 1336 An Act To Provide an Internship Employment Tax Credit

**DIED BETWEEN
HOUSES**

Sponsor(s)

GOODALL

Committee Report

ONTP MAJ
OTP-AM MIN

Amendments Adopted

This bill creates a tax credit for employers that employ qualified interns. The employer is entitled to a nonrefundable credit equal to 10% of the wages, stipend or salary paid to the intern and may not receive more than \$3,000 in total credits for all taxable years combined. The credit applies to the wages, stipend or salary of no more than 5 interns employed at the same time.