

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
SECOND REGULAR SESSION



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

JOINT STANDING COMMITTEE ON TAXATION

June 2012

STAFF:

ELIZABETH F. COOPER, LEGISLATIVE ANALYST
WILLIAM B. GARDINER, LEGISLATIVE ANALYST
OFFICE OF FISCAL AND PROGRAM REVIEW
5 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1635

MEMBERS:

SEN. JONATHAN T.E. COURTNEY, 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. WINDOL C. WEAVER
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
SECOND 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 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

for benefits under the Circuitbreaker Program. It requires the State Tax Assessor to adopt routine technical rules to require, for applications filed on or after August 1, 2012, proof of rent paid when the application for benefits under the Circuitbreaker Program is based on rent paid of \$9,000 or more for the year.

LD 1693 An Act To Amend the Law Governing Abatements of Property Taxes for Infirmity or Poverty and the Administration of the Circuitbreaker Program

PUBLIC 552

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KESCHL KATZ	OTP-AM	H-754

This bill provides that benefits issued to a property owner under the Circuitbreaker Program are deemed available to contribute to the public charges for the purposes of calculating eligibility at the municipal level for a property tax abatement for reasons of infirmity or poverty. This bill changes the Circuitbreaker Program to specify that the reimbursement benefit is calculated based on the property taxes actually paid by the owner on that owner's homestead, rather than taxes accrued, and requires the claimant to provide proof of payment. It provides that any property taxes abated by a municipality for infirmity or poverty may not be claimed for purposes of calculating a refund under the Circuitbreaker Program.

Committee Amendment "A" (H-754)

This amendment changes the title and replaces the bill. It provides that, for purposes of calculating eligibility at the municipal level for property tax abatement for reasons of poverty or infirmity, municipal officers may set off or otherwise treat as available benefits provided under the Circuitbreaker Program when determining a person's ability to contribute to the public charges. It prohibits a claimant under the Circuitbreaker Program from seeking a refund on property taxes that were abated by a municipality based upon poverty or infirmity by excluding from the definition of "property taxes accrued" any taxes abated in the year for which the claimant is seeking relief.

Enacted Law Summary

Public Law 2011, chapter 552 provides that, for purposes of calculating eligibility at the municipal level for property tax abatement for reasons of poverty or infirmity, municipal officers may set off or otherwise treat as available benefits provided under the Circuitbreaker Program when determining a person's ability to contribute to the public charges. It prohibits a claimant under the Circuitbreaker Program from seeking a refund on property taxes that were abated by a municipality based upon poverty or infirmity by excluding from the definition of "property taxes accrued" any taxes abated in the year for which the claimant is seeking relief.

LD 1699 An Act To Create Excise Tax Equity and Consistency for Buses

PUBLIC 646

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KNAPP	OTP-AM MAJ ONTP MIN	H-724

This bill provides that the motor vehicle excise tax on a bus manufactured in 2006 or after must be based on the purchase price of the bus rather than the maker's list price in the same manner as commercial trucks, truck tractors and special mobile equipment. The bill also provides for reimbursement to municipalities from the Municipal Excise Tax Reimbursement Fund.

Joint Standing Committee on Taxation

Committee Amendment "A" (H-724)

The amendment adds an appropriations and allocations section to the bill.

Enacted Law Summary

Public Law 2011, chapter 646 provides that the motor vehicle excise tax on a bus manufactured in 2006 or after must be based on the purchase price of the bus rather than the maker's list price in the same manner as commercial trucks, truck tractors and special mobile equipment. It also provides for reimbursement to municipalities from the Municipal Excise Tax Reimbursement Fund.

LD 1730 An Act To Require the Review of Proposed Tax Expenditures

ONTP

Sponsor(s)

Committee Report

Amendments Adopted

ONTP

This bill is the report of the Joint Standing Committee on Taxation pursuant to Title 36, section 199-D.

It creates a review process to be performed by the joint standing committee of the Legislature having jurisdiction over taxation matters prior to the enactment of legislation or approval of a legislative initiative that would result in a new tax expenditure or a change that prolongs or expands an existing tax expenditure. The bill requires that committee to consider the groups and numbers of taxpayers affected, the public policy objectives that provide justification for the proposed tax expenditure, fiscal impact projections related to the proposed tax expenditure, effects the proposed tax expenditure may have on the economy, unintended benefits or negative consequences of the proposed tax expenditure, similar tax expenditures in other states, standards of accountability or reporting requirements related to the proposed tax expenditure, methods for evaluating the proposed tax expenditure and mechanisms for recapturing the proposed tax expenditure if objectives are not fulfilled. The bill requires proposals for a new tax expenditure or a change that prolongs or expands an existing tax expenditure to include a repeal date and a review process for the tax expenditure. The bill requires the joint standing committee of the Legislature having jurisdiction over a proposal for a new tax expenditure or a change that prolongs or expands an existing tax expenditure to seek an advisory opinion from the joint standing committee of the Legislature having jurisdiction over taxation matters prior to enacting legislation or recommending a legislative initiative that would result in a new tax expenditure or a change that prolongs or expands an existing tax expenditure.

LD 1735 An Act To Promote Jobs in the Motor Coach Industry by Providing a Sales Tax Exemption for Certain Buses

PUBLIC 501

Sponsor(s)

Committee Report

Amendments Adopted

RAYE

OTP

This bill modifies Maine's sales and use tax exemption for certain instrumentalities of interstate or foreign commerce to include a bus with a capacity of at least 47 passengers engaged in transporting within the State a bona fide payload of travelers on an interstate or foreign cruise that originates outside the State and terminates outside the State, as long as the transportation is provided pursuant to a contract between the interstate or foreign cruise provider and the person providing the transportation.