

MAINE STATE LEGISLATURE

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STATE OF MAINE
126TH LEGISLATURE
FIRST REGULAR SESSION



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

JOINT STANDING COMMITTEE ON TAXATION

July 2013

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STATE OF MAINE

126TH LEGISLATURE
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LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 126th 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 126th Legislature is October 9, 2013. 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 65

An Act To Reduce the Income Tax on Capital Gains

**ACCEPTED
MAJORITY
(ONTP) REPORT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MALABY LANGLEY	ONTP OTP-AM	

Currently under state law, long-term capital gains are taxed as regular income. This bill taxes income derived from the sale of assets held for more than one year at 3%.

Committee Amendment "A" (H-13)

This amendment, which is the minority report of the committee, exempts from Maine individual income tax 50% of net long-term capital gains subject to federal income tax for the taxable year. The bill created a separate capital gains income tax rate.

The amendment also adds an appropriations and allocations section to the bill. This amendment was not adopted.

LD 73

An Act To Exempt Persons 65 Years of Age or Older Whose Income Is below the Poverty Line from Paying Property Taxes on Their Homes

ONTP

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

This bill provides an exemption from property taxes for the homestead of a person who is 65 years of age or older and whose income is below certain poverty thresholds.

LD 107

RESOLUTION, Proposing an Amendment to the Constitution of Maine To Permit the Legislature To Provide a One-year Period of Penalty Relief for Withdrawal of Forest Land from Current Use Valuation

**ACCEPTED
MAJORITY
(ONTP) REPORT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DAVIS BURNS	ONTP OTP-AM	

This resolution proposes to amend the Constitution of Maine to permit the Legislature to provide a one-year period of relief from the penalty for withdrawal of forest land from current use valuation if the forest land has been taxed at current use valuation for at least 5 years and the owner is withdrawing at least 50% of the owner's forest land. The availability of the relief period would be limited to no more than once every 5 years.

Committee Amendment "A" (H-14)

This amendment, which is the minority report, adds a requirement that the owner withdrawing the forest land own no more than 25 acres of forest land taxed at current use valuation. This amendment was not adopted.