

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

STAFF:

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

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STATE OF MAINE

126TH LEGISLATURE

FIRST REGULAR SESSION



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 119 An Act To Exempt from the Use Tax \$1,000 of Internet Purchases from Out-of-state Sellers ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WILSON MASON G	ONTP	

This bill allows taxpayers to exclude from their estimated use tax liability \$1,000 of annual Internet purchases from out-of-state sellers.

LD 126 An Act To Provide a Sales Tax Exemption to Incorporated Nonprofit Performing Arts Organizations CARRIED OVER

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

This bill provides a sales tax exemption for sales to incorporated nonprofit performing arts organizations.

Committee Amendment "A" (S-12)

This amendment provides a definition of "performing arts organization." This amendment was not adopted.

Committee of Conference Amendment "A" (S-63)

This amendment, which is the report of a committee of conference, includes a definition of "performing arts organization" and repeals the sales tax exemption for performing arts organizations on October 1, 2015. The amendment directs the joint standing committee of the Legislature having jurisdiction over taxation matters in the First Regular Session of the 127th Legislature to examine the sales tax exemption for performing arts organizations and authorizes the committee to report out a bill on this topic.

This bill was committed to the Joint Standing Committee on Appropriations and Financial Affairs and carried over to any special or regular session of the 126th Legislature by joint order, H.P. 1145, as amended by H-B (H-580) and H-C (H-582).

LD 136 An Act To Amend the Priority of Distribution of Unappropriated Surplus for the Fiscal Year Ending June 30, 2014 DIED ON ADJOURNMENT

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HAYES	OTP-AM	H-82

This bill requires the application form for the Circuitbreaker Program to include a method of determining whether the property taxes being claimed have been paid at the time of application to the program. If the State Tax Assessor determines that the property taxes have not been paid, the benefit must be issued to the claimant and the municipality jointly. The municipality is required to endorse the benefit to the claimant but may withhold an amount equal to the amount of property taxes owed for the year for which the benefit is being issued. A municipality may retain an amount in excess of the amount of property taxes owed only with the express written permission of the claimant.

Joint Standing Committee on Taxation

Committee Amendment "A" (H-82)

This amendment adds a mandate preamble and an emergency preamble and emergency clause to the bill. It includes provisions with respect to the Circuitbreaker Program to address the confidentiality of claimant information at the municipal level, homestead property located in the unorganized territory and the application of program benefits to unpaid taxes. It clarifies the method for processing a joint benefit payment. It provides that the bill applies to applications for the Circuitbreaker Program filed on or after August 1, 2013 and adds an appropriations and allocations section.

This bill was placed on the Special Appropriations Table and died on adjournment.

LD 150 An Act To Modernize State Income Tax Refunds ONTP

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

This bill provides that, beginning in 2014, individual income tax refunds must be made in the form of a debit card or by direct deposit, or by check if requested by a person 56 years of age or older.

LD 167 An Act To Base the Motor Vehicle Excise Tax on the Purchase Price of the Motor Vehicle ACCEPTED MAJORITY (ONTP) REPORT

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

This bill changes the method of computing the excise tax that is levied on motor vehicles and camper trailers registered in the State. Current law requires that the excise tax be based upon the maker's list price for the motor vehicle; the excise tax on certain commercial motor vehicles and buses and special mobile equipment is based on the purchase price. This bill requires that the excise tax for all motor vehicles and camper trailers be based upon the purchase price of the vehicle and defines "purchase price" as the actual amount of money financed or paid by the consumer after any rebates or discounts. Either the original bill of sale or the state sales tax document may be used to verify the purchase price.

Committee Amendment "A" (S-19)

This amendment, which is the minority report of the committee, provides that the excise tax on a motor vehicle or camper trailer be based on the purchase price or 90% of the maker's list price if the purchase price is not available. The amendment adjusts the mill rates to minimize the loss of revenue to municipalities. Beginning in 2015, it charges the State Tax Assessor with determining mill rates that will generate an amount of municipal revenue equal to the amount collected in 2013 as adjusted by the Consumer Price Index. This amendment was not adopted.