

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
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

MEMBERS:

SEN. ANNE M. HASKELL, CHAIR
SEN. REBECCA J. MILLETT
SEN. DOUGLAS A. THOMAS

REP. ADAM A. GOODE, CHAIR
REP. STEPHEN S. STANLEY
REP. NATHAN L. LIBBY
REP. MATTHEW W. MOONEN
REP. RYAN D. TIPPING-SPITZ
REP. L. GARY KNIGHT
REP. PAUL EDWARD BENNETT
REP. DONALD G. MAREAN
REP. ROGER A. JACKSON
REP. JOSEPH E. BROOKS

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

certified public accountant, enrolled agent, enrolled actuary or any other person permitted to represent the taxpayer before the Maine Board of Tax Appeals.

Public Law 2013, chapter 45 was enacted as an emergency measure effective March 22, 2013.

LD 435 Resolve, To Require the State Tax Assessor To Develop Agreements with Online Retailers for the Collection of Sales and Use Tax ONTP

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

This resolve requires the State Tax Assessor to enter into negotiations and develop agreements with online retailers for the collection of Maine sales and use tax by those online retailers. An online retailer is defined as a person that makes sales to Maine residents but that does not collect sales and use tax from those Maine residents because the online retailer is not located in Maine. The State Tax Assessor is required to submit a quarterly report to the Joint Standing Committee on Taxation regarding the status of the negotiations.

LD 436 An Act To Raise the Maximum 529 Plan Contribution Tax Deduction CARRIED OVER

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

This bill increases the maximum deduction for contributions to a qualified tuition program established under Section 529 of the United States Internal Revenue Code of 1986 to \$1,000 per designated beneficiary. The change applies to tax years beginning on or after January 1, 2013.

Committee Amendment "A" (S-10)

This amendment changes the increase in the maximum deduction for contributions to a qualified tuition program established under Section 529 of the United States Internal Revenue Code of 1986 to \$500 per designated beneficiary. The bill proposes an increase from \$250 to \$1,000 for tax years starting on or after January 1, 2013.

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 440 An Act To Create a Tax Credit for Primary Care Professionals Practicing in Underserved Areas CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
JACKSON T	OTP-AM	

This bill extends the existing dental care access tax credit, which currently allows the Department of Health and Human Services to certify dentists as eligible for the credit through 2015, by eliminating the repeal date of December 31, 2020. It creates a similar credit for primary care professionals practicing in underserved areas. It requires the Department of Health and Human Services oral health program to certify up to 5 eligible dentists who have unpaid student loans and practice full time for at least 5 years in an underserved area for the dental care access credit in each taxable year beginning on January 1, 2016. It requires the Department of Health and Human Services

Joint Standing Committee on Taxation

to certify up to 5 eligible primary care professionals who have unpaid student loans and practice full time for at least 5 years in an underserved area for the primary care access credit in each taxable year beginning on January 1, 2013. These eligible dentists and primary care professionals may claim a credit, not to exceed \$12,000, for up to 5 years or until their student loans are paid in full, whichever comes first. The credit is nonrefundable.

Committee Amendment "A" (S-24)

This amendment eliminates the provision in the bill that extends the existing dental care access tax credit. It clarifies that in order to be eligible for the primary care access tax credit, the person's unpaid student loan must be owed to an institution for course work directly related to that person's training in primary care medicine. It adds an area with a medically underserved population to the definition of "underserved area." It creates a graduated schedule for claiming the credit allowing an eligible primary care professional to claim an amount equal to the annual payments made on the professional's student loan not to exceed \$6,000 in the first year, \$9,000 in the 2nd year, \$12,000 in the 3rd year, \$15,000 in the 4th year and \$18,000 in the 5th year.

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 455 An Act To Increase the State Earned Income Credit

CARRIED OVER

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

This bill, beginning in 2013, increases the state earned income credit from 5% to 50% of the federal earned income credit and provides that the state earned income credit is fully refundable.

Committee Amendment "A" (H-15)

This amendment changes the increase in the state earned income credit to 10% of the federal earned income credit. The bill changed it from 5% to 50%. The amendment retains the provision that the state earned income credit is fully refundable. The amendment also adds an appropriations and allocations section.

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 492 An Act To Increase Reimbursement to Municipalities under the Maine Tree Growth Tax Law

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
JACKSON T AYOTTE	ONTP	

This bill is a concept draft pursuant to Joint Rule 208. This bill proposes to increase reimbursement to municipalities for property tax losses resulting from the current use classification of land under the Maine Tree Growth Tax Law.