

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.

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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 692 An Act To Provide Funding for Education by Restoring the 8.5 Percent ONTP
Income Tax Rate for High-income Taxpayers

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

This bill reinstates the 8.5% tax rate for high-income taxpayers and uses the funds to assist the State in providing at least 55% of the cost of the total allocation for kindergarten to grade 12 education from General Fund revenue sources. The higher tax rates apply to individuals filing married joint returns or surviving spouses who have Maine taxable income of \$275,000 or more, heads of households who have Maine taxable income of \$206,250 or more and single individuals and married persons filing separate returns who have Maine taxable income of \$137,500 or more.

LD 693 An Act To Provide Solar Energy Tax Credits to Maine Homeowners ONTP

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

This bill provides an income tax credit for installations of qualifying solar energy systems. The credits are \$1,000 for installations of qualifying solar energy systems on residential property and \$2,000 for installations of qualifying solar energy systems on commercial property. Installation must be certified by the Efficiency Maine Trust.

LD 698 An Act To Provide an Exemption from Fuel and Sales Taxes to Persons ONTP
Engaged in Snowmobile Trail Grooming

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

This bill makes the existing sales tax exemption for the purchase of snowmobiles and snowmobile trail grooming equipment by snowmobile clubs available to persons operating snowmobile trail grooming equipment registered with the Department of Agriculture, Conservation and Forestry, Division of Parks and Public Lands, Off-road Recreational Vehicle Division. It provides that operating registered snowmobile trail grooming equipment to groom trails financed by the Snowmobile Trail Fund is considered a commercial use for purposes of reimbursement of the tax paid on internal combustion engine fuel.

LD 719 An Act To Ensure Access to Information in the Property Tax PUBLIC 182
Abatement Process

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
JOHNSON P	OTP-AM	H-190

This bill provides that a property taxpayer applying for or appealing an abatement of property taxes is entitled to notice in writing stating the reason the applicant's request was not fully granted. The bill also provides that if a decision on a request for abatement is not made within the required time period the request is deemed to be

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approved.

Committee Amendment "A" (H-190)

This amendment removes from the bill language establishing that if a decision on a request for abatement is not made within the required time period the request is deemed to be approved. It requires that the notice of decision regarding an abatement request include the reason or reasons supporting the decision to approve or deny the abatement request.

Enacted Law Summary

Public Law 2013, chapter 182 requires that the notice of decision regarding an abatement request include the reason or reasons supporting the decision to approve or deny the abatement request.

LD 720 An Act To Eliminate Sales Tax Exemptions for Snowmobiles and PUBLIC 86
All-terrain Vehicles Purchased by Nonresidents for Use in the State

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MAREAN HASKELL	OTP-AM ONTP	H-42

This bill eliminates the sales tax exemptions for all-terrain vehicles and snowmobiles purchased in the State for nonresidents who are required to register and who store or use the snowmobile or all-terrain vehicle in the State.

Committee Amendment "A" (H-42)

This amendment clarifies that the sales tax exemption for the purchase of a snowmobile or all-terrain vehicle by a nonresident applies only when the vehicle is intended to be driven or transported outside the State immediately upon delivery.

Enacted Law Summary

Public Law 2013, chapter 86 eliminates the sales tax exemptions for all-terrain vehicles and snowmobiles purchased in the State for nonresidents who are required to register and who store or use the snowmobile or all-terrain vehicle in the State. The sales tax exemption for a nonresident applies only when the vehicle is intended to be driven or transported outside the State immediately upon delivery.

LD 728 An Act To Amend the Laws Dealing with the Taxing of the Purchase of PUBLIC 156
Extended Service Contracts and Extended Service Contract Claims for
Trucks

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
THOMAS DUNPHY	OTP-AM	S-53

This bill exempts from sales tax parts used in the repair of a truck pursuant to an extended service contract. Current law provides this exemption for the parts used in the repair of an automobile pursuant to an extended service contract.

Committee Amendment "A" (S-53)

This amendment provides that the sale of an extended service contract on a truck, as defined in the bill, is a taxable service.

Enacted Law Summary