

# 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**  
126<sup>TH</sup> 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

126<sup>TH</sup> 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 126<sup>th</sup> 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 126<sup>th</sup> 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*

since 1997, to \$5,000,000 for investments made in 2014 or after. The bill authorizes additional tax credits of \$2,000,000 for investments made between June 1, 2013 and December 31, 2013, \$4,000,000 for investments made in calendar year 2014 and \$5,000,000 each year for investments made in each subsequent year. An investor in a venture capital fund requesting a refundable tax credit may not file for a refund until the calendar year after the calendar year in which the investment is made.

### **Committee Amendment "A" (S-213)**

This amendment clarifies that investors other than private venture capital funds are eligible for a tax credit certificate. It requires businesses applying under the Maine Seed Capital Tax Credit Program to certify that the amount of the credit is necessary to allow the business to create or retain jobs in the State. It adds a definition of "value-added" and applies it to the term "natural resource enterprise," which is a defined term. It limits the availability of the tax credit for private venture capital funds to \$500,000 times the number of investors in the fund or \$4,000,000, whichever is less.

### **Senate Amendment "A" To Committee Amendment "A" (S-341)**

This amendment limits the amount of additional seed capital tax credit certificates that may be issued to \$675,000 between January 1, 2014 and December 31, 2014, \$4,000,000 for investments made in calendar year 2015 and \$5,000,000 each year for investments made in calendar years beginning with 2016.

### **LD 762      An Act To Facilitate Collection of Property Taxes on Personal Property      ONTP**

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

This bill requires owners of personal property subject to property tax to provide upon request of the person responsible for assessment of taxes the information necessary to establish a lien on the personal property.

### **LD 815      An Act To Tax Political Action Committees      INDEF PP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HAYES	TAX REF TO VLA	

This bill imposes a tax on political action committees equal to 5% of the amount contributed to the committees. The tax must be reported and may be paid by political action committees at the same time as campaign reports under the election laws.

### **LD 816      An Act To Reduce the Property Tax Burden and Improve the Circuitbreaker Program      CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
POWERS HASKELL		

This bill is a concept draft pursuant to Joint Rule 208. This bill proposes to improve the Circuitbreaker Program by simplifying the determination of eligibility, transitioning the application period to the income tax filing period, permitting application to be made through the Department of Health and Human Services' integrated eligibility system and ensuring an adequate source of funding.

**Joint Standing Committee on Taxation**

This bill was 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 834      An Act To Make the Income Tax More Equitable for Citizens of the State      ONTP**

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

This bill reinstates the 8.5% tax rate for high-income taxpayers. The higher tax rates apply to individuals filing married joint returns or surviving spouses who have Maine taxable income of \$250,000 or more, heads of households who have Maine taxable income of \$187,500 or more and single individuals and married persons filing separate returns who have Maine taxable income of \$125,000 or more.

**LD 866      An Act To Create an Income Tax Credit for Educational Supplies Purchased by Public School Employees      ONTP**

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

This bill provides an income tax credit of up to \$500 to teachers and educational support staff for the purchase of books, supplies, supplementary materials, services and equipment, including computer equipment and related software, that is used for teaching students at the high school level and in elementary grades in a public school.

**LD 901      An Act To Modify the Mining Excise Tax      ACCEPTED MAJORITY (ONTP) REPORT**

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

This bill establishes an annual water quality surtax on water contamination resulting from mining. The tax is equal to \$1 per gallon of groundwater and surface water that is contaminated adjusted to reflect the degree of contamination resulting from mining activities.

**Committee Amendment "A" (H-364)**

This amendment, which is the minority report, incorporates a fiscal note. This amendment was not adopted.

**LD 915      An Act To Expand the Sales Tax Exemption for Certain Public Libraries To Include Sales by Those Libraries or Their Supporting Organizations      PUBLIC 420**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TIPPING-SPITZ CAIN	OTP-AM	H-119