

# MAINE STATE LEGISLATURE

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**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

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# 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*

This bill expands the sales tax exemption for sales to nonprofit free public lending libraries that receive public funding to include sales by those libraries or by nonprofit corporations organized to support such libraries.

### **Committee Amendment "A" (H-119)**

This amendment clarifies that the expansion of the sales tax exemption for sales to nonprofit free public lending libraries that receive public funding includes sales by those libraries or by nonprofit corporations organized to support those libraries as long as the proceeds from the sales are used to benefit those libraries.

### **Enacted Law Summary**

Public Law 2013, chapter 420 expands the sales tax exemption for sales to nonprofit free public lending libraries that receive public funding to include sales by those libraries or by nonprofit corporations organized to support such libraries.

<b>LD 916</b>	<b>An Act To Promote Investment in Maine's Communications Network and Natural Gas Network</b>	<b>CARRIED OVER</b>
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<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BROOKS HASKELL		

This bill provides sales tax exemptions for telecommunications equipment sold to a provider of telecommunications services and natural gas heating equipment sold to a business or residential consumer.

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).

<b>LD 936</b>	<b>An Act To Authorize Municipalities To Impose Service Charges on Tax-exempt Property Owned by Certain Nonprofit Organizations</b>	<b>CARRIED OVER</b>
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<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CHASE THIBODEAU		

This bill authorizes municipalities to impose service charges on owners of certain real property that is currently exempt from property tax.

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).

<b>LD 956</b>	<b>An Act To Improve and Simplify the Application for Benefits under the Circuitbreaker Program</b>	<b>ONTP</b>
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<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
STUCKEY	ONTP	

This bill makes the following changes to the Maine Residents Property Tax Program, also known as the Circuitbreaker Program.

1. The bill simplifies the income calculation by excluding from household income the income of dependents and

## *Joint Standing Committee on Taxation*

certain miscellaneous income. It also excludes from household income other income, such as nontaxable strike benefits, but only if the total of that income is less than \$5,000.

2. The bill changes the time for filing an application. For calendar year 2013 benefits, the application period is August 1, 2014 through May 31, 2015. For calendar year 2014 benefits, the application period is August 1, 2015 through November 30, 2015. For benefit periods after 2014, the application must be filed during or after January and on or before the following November 15th.

3. The bill expands eligibility under the program by increasing maximum income thresholds from \$60,000 to \$80,000 for single-member households and from \$80,000 to \$110,000 for households with 2 or more members.

4. The bill also increases the maximum benefit from \$2,000 to \$3,000.

**LD 979      An Act To Exempt the Sale of the United States Flag from the Sales Tax      CARRIED OVER**

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

This bill exempts sales of the United States flag made entirely of cloth from sales tax.

**Committee Amendment "A" (H-122)**

This amendment, which is the minority report, clarifies that the sales tax exemption for the United States flag applies to a flag made of cloth or similar material, but it may include grommets or noncloth fasteners for use in displaying the flag.

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 980      An Act To Provide an Income Tax Credit for a Qualified Conservation Contribution      ONTP**

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

This bill provides a nonrefundable income tax credit in an amount equal to 50% of a qualified conservation contribution in tax years beginning on or after January 1, 2013. The credit may be carried forward for up to 25 years.

**LD 988      An Act To Amend the Tax Laws      PUBLIC 331**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HASKELL KNIGHT	OTP-AM	S-214

This bill makes the following changes to the laws governing taxation.