

MAINE STATE LEGISLATURE

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STATE OF MAINE
126TH LEGISLATURE
SECOND REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

JOINT STANDING COMMITTEE ON TAXATION

May 2014

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STATE OF MAINE
126TH LEGISLATURE
SECOND REGULAR SESSION
LEGISLATIVE DIGEST OF BILL SUMMARIES AND
ENACTED LAWS

The *Digest* is arranged 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.

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 HOUSESHouse & 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
EMERGENCYenacted 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 Second Regular Session of the 126th Legislature is August 1, 2014. 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 996 **An Act To Improve the Accuracy of Fuel Tax Reporting**

**Died On
Adjournment**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
THIBODEAU VOLK	OTP-AM	S-381

This bill was carried over from the First Regular Session of the 126th Legislature.

This bill changes the method of measuring gallons of fuel for fuel tax purposes to include an adjustment for temperature based on net gallons. Currently, taxes are based on gross fuel amounts without specific adjustments for temperature or barometric pressure. This bill requires that fuel be measured in gallons after it is adjusted to a temperature of 60 degrees Fahrenheit and a barometric pressure of 14.7 pounds per square inch or in gross gallons if elected by the licensed supplier or licensed distributor.

Committee Amendment "B" (S-381)

This amendment replaces the bill and provides that, for tax returns filed beginning with calendar year 2015, a licensed distributor that accounts for taxes on internal combustion engine fuel, or a licensed supplier of special fuel that accounts for taxes on special fuel, on a net gallons basis that takes temperature into account is not allowed to use the allowance for shrinkage caused by temperature variation. An allowance may still be used for evaporation and handling losses.

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

LD 1120 **An Act To Improve Maine's Tax Laws**

Veto Sustained

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GOODE HASKELL	OTP-AM ONTP	H-749

This bill was carried over from the First Regular Session of the 126th Legislature.

This bill is a concept draft pursuant to Joint Rule 208 and proposes to amend the tax laws by:

1. Amending the law to reduce the use of so-called off-shore tax havens, thus reducing the loss of revenue to the State; and
2. Establishing a task force to undertake a comprehensive analysis of the biennial report of tax expenditures prepared by the Department of Administrative and Financial Services, Bureau of Revenue Services and identify any tax expenditures that may be reduced or eliminated with the goal of achieving a targeted savings of \$30,000,000 in fiscal year 2014-15.

Committee Amendment "A" (H-749)

This amendment replaces the bill. The amendment strikes provisions relating to the review of tax expenditures and requires corporations that file unitary income tax returns in Maine to include income from certain jurisdictions outside the United States in net income when apportioning income among tax jurisdictions. Under this amendment the State Tax Assessor is required to adopt major substantive rules to determine the income or loss attributable to such corporations and to prevent double taxation or deduction of income.