

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
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

prepackaged kit.

Committee Amendment "A" (S-215)

This amendment replaces the bill and clarifies that for trucks or truck tractors registered for more than 26,000 pounds that have been reconstructed using a prepackaged kit that may include a frame, front axle or body but does not include a power train or engine and for which a new certificate of title is required to be issued, the amount of excise tax due is based on the maker's list price of the prepackaged kit.

Enacted Law Summary

Public Law 2013, chapter 263 provides that, for excise tax purposes, a truck that is 26,000 pounds or more that is reconstructed using a prepackaged kit that may include a frame, front axle or body but does not include a power train or engine and for which a new certificate of title is required, is valued at the price of the prepackaged kit.

LD 1402 An Act To Amend the Taxes Imposed on Alcohol and Lodging CARRIED OVER

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

Part A repeals the excise taxes and premiums imposed on spirits, wine and malt liquor and the requirements regarding those excise taxes and premiums.

Part B increases the sales and use tax imposed on lodging from 7% to 9% and on liquor sold for consumption on or off the premises of licensed establishments from 7% to 9%. Part B also amends the exemption of casual rentals of living quarters to decrease the exempt period from fewer than 15 days to fewer than 8 days.

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 1406 An Act To Reduce Youth Smoking and Improve Public Health by
Increasing Revenue from the Cigarette Tax to the Fund for a Healthy
Maine and To Pay Debts Owed to Health Care Providers ONTP**

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

This bill increases the cigarette tax by \$1.50 per package, from \$2.00 to \$3.50, to help deter the initial use of cigarettes by youth. It includes an appropriations and allocations section to fund certain programs through the Fund for a Healthy Maine and provides that any remaining funds must be used to retire debts owed to health care providers for services provided prior to December 1, 2012.

LD 1409 An Act To Promote Tourism and Foster Economic Development DIED BETWEEN HOUSES

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

Joint Standing Committee on Taxation

This bill provides a refundable income tax credit for a major visual media production company equal to a percentage of expenses. The major visual media production company is eligible in an amount up to 25% if the overall budget is greater than \$1,000,000 but less than or equal to \$100,000,000 and up to 35% if the overall budget is greater than \$100,000,000.

Committee Amendment "A" (H-401)

This amendment changes the bill by removing the emergency provisions and clarifying that the credit is fully refundable. It clarifies that a visual media production may include content produced for the Internet and that the certified major visual media production credit must be claimed in the taxable year in which the major visual media production is completed. It removes the 35% credit for major visual media productions of over \$100,000,000, the requirement for 50% of the positions to be filled by in-state residents and the requirement for the productions to include trailers and commercials. It provides that the application fee, which is 0.2% of tax credit, is nonrefundable and can be no less than \$200 and no more than \$5,000. It specifies that a major visual media production expense does not include any single item with a value of \$500,000 or more that is not owned and retained for use in future productions by a major visual media production company. It repeals the credit on December 31, 2017.

LD 1414 *Resolve, Authorizing the State Tax Assessor To Convey the Interest of the State in Certain Real Estate in the Unorganized Territory* RESOLVE 32

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HASKELL KNIGHT	OTP-AM	S-72

This resolve authorizes the State Tax Assessor to convey the interest of the State in several parcels of real estate in the Unorganized Territory.

Committee Amendment "A" (S-72)

This amendment incorporates a fiscal note.

Enacted Law Summary

Resolve 2013, chapter 32 authorizes the State Tax Assessor to convey the interest of the State in several parcels of real estate in the Unorganized Territory.

LD 1421 *An Act To Permit a Student Holding a Degree from a Non-Maine Institution To Participate in the Job Creation Through Educational Opportunity Program* CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
NADEAU C THIBODEAU		

This bill provides that an individual whose associate degree or bachelor's degree was obtained from an accredited non-Maine institution may participate in the Job Creation Through Educational Opportunity Program if the degree obtained was not available from an accredited Maine institution.

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).