

# 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  
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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 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**

with a value between \$250,000 and \$500,000 would be taxed at 0.8%. Residential real estate with a value between \$500,000 and \$1,000,000 would be taxed at a rate of 1%. Residential real estate with a value above \$1,000,000 would be taxed at a rate of 1.5%. All other property would be taxed at 1%.

3. Sales tax collector fee. A sales tax collector fee is created to compensate businesses that collect sales taxes on behalf of the State. This fee is set at 0.5% of sales taxes collected and would be retained by vendors for their effort in collecting sales taxes. Every business that collects sales taxes will be compensated.

**LD 1534     An Act To Allow a Motor Vehicle Excise Tax Credit for a Vehicle No Longer in Use     INDEF PP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
THIBODEAU BROOKS	OTP-AM	S-180

This bill provides that the motor vehicle excise tax credit for a vehicle lost by fire, theft or accident or totally junked or abandoned also applies to a vehicle the use of which is totally discontinued.

**Committee Amendment "A" (S-180)**

This amendment clarifies that the motor vehicle excise tax credit is available only if the vehicle's ownership is transferred, the vehicle is totally lost by fire, theft or accident, the vehicle is totally junked or abandoned, the use of the vehicle is totally discontinued or, in the case of a leased vehicle, the registration is transferred. It defines "totally discontinued" as meaning that the owner has permanently discontinued all use of the vehicle except for selling, transferring ownership of, junking or abandoning that vehicle. It requires the owner of the vehicle to provide a signed statement attesting that the vehicle from which the credit is being transferred is totally discontinued and states that if the owner who has totally discontinued use of a vehicle later seeks to register that vehicle, no excise tax credits may be applied with respect to the registration of that vehicle or any subsequent transfer of that vehicle's registration

This amendment was not adopted.

**LD 1535     An Act To Provide Maine's Businesses Tax Relief for Destroyed or Stolen Products     CARRIED OVER**

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

This bill provides tax relief to Maine retail establishments by requiring the State Tax Assessor to reimburse a retailer for destroyed or stolen cigarette tax stamps.

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 1570     An Act To Delay the Implementation of Changes to the Business Equipment Tax Exemption     PUBLIC 385 EMERGENCY**

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

## *Joint Standing Committee on Taxation*

This bill was acted upon without reference to committee.

As enacted in Public Law 2013, chapter 368, a taxpayer seeking a business equipment tax exemption and owning property exceeding 2% of the total valuation of the municipality is required to provide annually to the municipality income and expense information that is sufficient for the State Tax Assessor to determine the value of all property owned by the taxpayer located in the municipality as well as the property for which exemption is sought. The taxpayer's property is ineligible for the business equipment tax exemption if the taxpayer fails to provide sufficient information.

This bill delays by one year the effective date of the reporting requirements to apply to property tax years beginning on or after April 1, 2014. This bill applies the change in the application date retroactively to June 26, 2013, the effective date of Public Law 2013, chapter 368.

### **Enacted Law Summary**

Public Law 2013, chapter 385 delays by one year the effective date of the reporting requirements to apply to property tax years beginning on or after April 1, 2014.

Public Law 2013, chapter 385 was enacted as an emergency measure effective July 1, 2013 and applies retroactively to June 26, 2013, the effective date of Public Law 2013, chapter 368.