

MAINE STATE LEGISLATURE

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STATE OF MAINE
127TH LEGISLATURE
FIRST REGULAR SESSION



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

JOINT STANDING COMMITTEE ON TAXATION

August 2015

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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 127th 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. An appendix provides a summary of relevant session statistics.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

<i>CARRIED OVER</i>	<i>carried over to a subsequent session of the Legislature</i>
<i>CON RES XXX</i>	<i>chapter # of constitutional resolution passed by both houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; legislation died</i>
<i>DIED BETWEEN HOUSES</i>	<i>House & Senate disagreed; legislation died</i>
<i>DIED IN CONCURRENCE</i>	<i>defeated in each house, but on different motions; legislation died</i>
<i>DIED ON ADJOURNMENT</i>	<i>action incomplete when session ended; legislation died</i>
<i>EMERGENCY</i>	<i>enacted law takes effect sooner than 90 days after session adjournment</i>
<i>FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE</i>	<i>emergency failed to receive required 2/3 vote</i>
<i>FAILED, ENACTMENT or FINAL PASSAGE</i>	<i>failed to receive final majority vote</i>
<i>FAILED, MANDATE ENACTMENT</i>	<i>legislation proposing local mandate failed required 2/3 vote</i>
<i>HELD BY GOVERNOR</i>	<i>Governor has not signed; final disposition to be determined at subsequent session</i>
<i>LEAVE TO WITHDRAW</i>	<i>sponsor's request to withdraw legislation granted</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>ruled out of order by the presiding officer; legislation died</i>
<i>INDEF PP</i>	<i>indefinitely postponed; legislation died</i>
<i>ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X</i>	<i>ought-not-to-pass report accepted; legislation died</i>
<i>P&S XXX</i>	<i>chapter # of enacted private & special law</i>
<i>PUBLIC XXX</i>	<i>chapter # of enacted public law</i>
<i>RESOLVE XXX</i>	<i>chapter # of finally passed resolve</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's veto</i>

The effective date for non-emergency legislation enacted in the First Regular Session of the 127th Legislature is October 15, 2015. 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 120 An Act To Provide a Tax Credit to Maine Residents for Turnpike Tolls

**Accepted Majority
(ONTP) Report**

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

This bill provides a refundable income tax credit to Maine residents for tolls paid to the Maine Turnpike Authority.

Committee Amendment "A" (S-137)

This amendment, the minority report of the committee, replaces the bill. It establishes a \$100 maximum tax credit for users of the Maine Turnpike and requires users claiming the credit to have receipts for cash tolls paid or a statement from the Maine Turnpike Authority showing the amount paid under the E-Z Pass program. It also adds an appropriations and allocations section.

**LD 168 An Act Relating to the Sales Tax Exemption on Depreciable Equipment
Used in Commercial Wood Harvesting**

ONTP

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

This bill provides that the sales tax exemption or refund for depreciable equipment used in commercial wood harvesting applies only when the harvesting is performed by residents of the United States or by business entities with headquarters in the United States.

LD 169 An Act To Amend the Laws Governing Groundwater Rights

ONTP

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

This bill creates an excise tax of one cent per gallon on the extraction of groundwater or surface water from springs or other underground sources in this State by a bottled water operator that extracted more than 1,000,000 gallons in the previous calendar year if the water is packaged for sale in containers of five gallons or less. The revenue from the tax is applied 25 percent to watershed and water quality protection, 50 percent to essential programs and services for kindergarten to grade 12 and 25 percent to the municipality where the water was extracted.

**LD 170 An Act To Remove the 180-day Active Duty Requirement for the
Property Tax Exemption for Vietnam Veterans**

PUBLIC 353

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
NADEAU DUTREMBLE	OTP-AM	H-15

Current law provides a property tax exemption to a veteran of the Vietnam War as long as the veteran served on active duty for at least 180 days during the period between February 27, 1961 and May 8, 1975.

Joint Standing Committee on Taxation

This bill repeals that limitation.

Committee Amendment "A" (H-15)

This amendment clarifies the intent of the bill by restoring the dates, which the bill strikes, that establish the period of time of service for eligibility for the veterans' exemption for the Vietnam War.

Enacted Law Summary

Public Law 2015, chapter 353 became law without the Governor's signature and removes the 180 day service requirement for eligibility for a property tax exemption for veterans who served during the Vietnam War.

LD 183 **An Act To Decrease Property Taxes by Increasing the Sales Tax** ONTP

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

This bill increases the homestead property tax exemption from \$10,000 to \$20,000 and requires that municipalities be reimbursed for 100 percent of the taxes lost due to the increase. The bill also increases from five percent to six percent the sales tax on tangible personal property and taxable services and products transferred electronically with a value of \$5,000 or less.

See also the biennial budget bill, PL 2015, chapter 267, Part J which increases the homestead exemption to \$15,000 in 2016 and \$20,000 in 2017 and subsequent years.

LD 191 **An Act To Require the Transfer of a Forest Management and Harvest Plan upon the Transfer of Land in the Tree Growth Tax Program** ONTP

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

This bill provides that, when land taxed under the tree growth tax program is transferred, the new landowner may file a sworn statement that a new forest management and harvest plan has been prepared. If the new landowner does not file a new plan, the landowner must continue to manage the land in accordance with the plan prepared for the previous landowner or the land is considered to have been withdrawn from the program.

LD 208 **An Act To Provide Funding for Maintaining Cemeteries within the Maine Veterans' Memorial Cemetery System** ONTP

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

This bill requires that the sales tax collected from the sale of United States flags be deposited into the Maine Veterans' Memorial Cemetery System Care Fund for the purpose of maintaining the cemeteries in the Maine Veterans' Memorial Cemetery System.

See also LD 11.