

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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JULIE JONES, SENIOR LEGISLATIVE ANALYST
OFFICE OF FISCAL AND PROGRAM REVIEW
5 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1635

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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

amusement parks, participation fees, including for bowling, golf or skiing, and fees for entertainment services, including those provided by bands, orchestras, disc jockeys and comedians.

LD 581 An Act To Clarify the Municipal Development District Law

ONTP

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

This bill defines the terms "blighted area" and "credit enhancement agreement" in the municipal development district laws and provides a mechanism for the use of credit enhancement agreements in blighted areas. It also requires greater advance notice of public hearings on development districts and broadens the range of parties entitled to receive direct notice of such hearings.

LD 590 An Act To Exempt a Fee for a Paper or Plastic Single-use Carry-out Bag from Tax

**PUBLIC 150
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SAVIELLO CAMPBELL R	OTP-AM	S-15

This bill exempts from sales tax any fee placed on a paper or plastic single-use carry-out bag.

Committee Amendment "A" (S-15)

This amendment incorporates a fiscal note.

Enacted Law Summary

Public Law 2015, chapter 150 excludes from sales tax any amount charged for a paper or plastic carry-out bag.

Public Law 2015, chapter 150 was enacted as an emergency measure effective June 9, 2015.

LD 592 An Act To Extend to Certain Fruit and Vegetable Growers the Sales Tax Exemption for Fuel

**Died On
Adjournment**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WHITTEMORE MCCABE	OTP-AM ONTP	S-136

Current law allows a person to request a refund of the amount of sales tax paid on the purchase of electricity used in commercial agricultural production. Current law also provides an exemption from sales tax for 95% of the sale price of fuel and electricity purchased for use at a manufacturing facility.

This bill, beginning January 1, 2016, extends the sales tax exemption for fuel to a greenhouse facility that occupies at least 1,000,000 square feet of indoor space that is operated by an agricultural employer that employs at least 100 employees and is engaged in the year-round commercial production of fruits or vegetables. The ability of that agricultural employer to obtain a refund for sales tax paid on electricity used in commercial agriculture production is not affected by this bill.

Joint Standing Committee on Taxation

Committee Amendment "A" (S-136)

This amendment, the majority report of the committee, removes language from the bill that deems certain greenhouse facilities to be manufacturing facilities and establishes the proposed sales tax exemption independently of the exemption for manufacturing facilities.

The substance of the bill was included in the biennial budget bill, Public Law 2015, chapter 267, Part KKKK. Please see LD 1019, summarized under the Joint Standing Committee on Appropriations and Financial Affairs.

LD 594 An Act To Allow the Creation of a Local Option Sales Tax by Referendum

**Accepted Majority
(ONTP) Report**

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

This bill allows a municipality to impose a local option sales tax, which may be seasonal, of no more than one percent by local referendum. Certain items, such as motor vehicles and major household appliances, are excluded from the local option sales tax.

Committee Amendment "A" (S-135)

This amendment, the minority report of the committee, incorporates a fiscal note.

LD 614 An Act Regarding the Excise Tax Levied on Used Motor Vehicles

ONTP

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

This bill specifies that a motor vehicle being registered for a second time during the first model year of that motor vehicle or a motor vehicle that is still in its first model year but is not covered by a manufacturer's new car warranty is considered a used vehicle and requires the excise tax to be based on the second model year.

LD 625 An Act To Increase the Tax Exemption for Pensions

ONTP

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

This bill increases from \$10,000 to \$15,000 the maximum amount of pension benefits that may be excluded from taxable income for Maine income tax purposes.

See also LD 27 and LD 760.