

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 644 An Act To Exempt Annuity Considerations from Tax

**Died Between
Houses**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WHITTEMORE O'CONNOR	OTP-AM ONTP	

This bill phases out the tax imposed upon annuity considerations. The current tax of two percent is decreased by 0.5 percent each year beginning in 2016 until it is eliminated beginning January 1, 2019.

Committee Amendment "A" (S-134)

This amendment, the majority report of the committee, makes technical changes to the bill to reference the correct tax years. The amendment also adds an appropriations and allocations section.

LD 646 An Act To Provide Incentives for Municipal Cooperation and Shared Services

CARRIED OVER

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

This bill provides an incentive for municipalities to enter into interlocal cooperative agreements by sheltering a portion of the municipalities' equalized valuations dedicated to the financial support of the joint services. Sheltering of value would be likely to increase the municipalities' shares of General Purpose Aid to local schools, municipal revenue sharing and reduce the municipalities' share of county taxes.

This bill was carried over to any special or regular session of the 127th Legislature by joint order, H.P. 992.

LD 648 An Act To Increase the Earned Income Tax Credit for Maine Residents

ONTP

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

This bill increases the earned income tax credit for Maine residents from five percent of the federal earned income credit to 20 percent of the federal earned income credit. This bill also repeals the eligibility of nonresidents and part-year residents for the Maine earned income tax credit.

See also LD 96 and LD 963.

LD 689 An Act To Support Maine's Tourism Marketing Promotion Program by Eliminating the Sales Tax Exemption for Casual Rentals for Fewer Than 15 Days a Year

**Accepted Majority
(ONTP) Report**

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

Joint Standing Committee on Taxation

This bill eliminates the exemption from sales tax currently allowed on the rental of living quarters for fewer than 15 days a year.

Committee Amendment "A" (S-132)

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

LD 718 An Act To Avoid Loss of Revenue to the State ONTP

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

This bill continues the sales tax on lodging at eight percent on and after July 1, 2015 in order to avoid the decrease to seven percent scheduled under current law.

LD 740 An Act To Sustain Maine's Primary Care Professional Workforce PUBLIC 108

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DAVIS ALLEY	OTP-AM	S-56

This bill expands eligibility for the income tax credit for eligible new primary care professionals to include persons already practicing in underserved areas and certified as eligible by the Department of Health and Human Services in order to facilitate retention as well as recruitment of eligible professionals.

Committee Amendment "A" (S-56)

This amendment adds an application date to the bill.

Enacted Law Summary

Public Law 2015, chapter 108 expands eligibility for the income tax credit for eligible new primary care professionals, for tax years beginning on or after January 1, 2015, to include persons already practicing in underserved areas and certified as eligible by the Department of Health and Human Services in order to facilitate retention as well as recruitment of eligible professionals

LD 759 An Act To Establish a Sales Tax Holiday ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KINNEY M EDGECOMB P	ONTP	

This bill exempts from sales tax sales of clothing and school supplies occurring on the second Saturday of August each year.

See also LD 932.