

MAINE STATE LEGISLATURE

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STATE OF MAINE
127TH LEGISLATURE
SECOND REGULAR SESSION



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

JOINT STANDING COMMITTEE ON TAXATION

May 2016

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STATE OF MAINE

127TH LEGISLATURE

SECOND 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 Second 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.

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 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 127th Legislature is July 29, 2016. 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 898 An Act To Reduce Student Loan Debt through an Expansion of the Educational Opportunity Tax Credit

**Died On
Adjournment**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CHENETTE J ALFOND J	OTP-AM	H-229

This bill was reported out of committee in the prior session and then carried over on the Special Appropriations Table.

The bill allows students who are pursuing or have pursued a course of study available only at a public institution outside the State as part of the New England regional student program offered by the New England Board of Higher Education to be eligible for the educational opportunity tax credit, starting with the tax year beginning January 1, 2016.

Committee Amendment "A" (H-229)

This amendment extends to a graduate who pursued a course of study available only at a public institution outside the State as part of the New England regional student program offered by the New England Board of Higher Education the same allowance as is provided for graduates of Maine accredited institutions, which provides that a graduate is not disqualified if 30 or fewer of the graduate's credit hours were obtained from a nonqualifying non-Maine community college, college or university. The amendment also makes changes to the definition of "principal cap" in order to avoid misinterpretation.

This bill remained on the Special Appropriations Table and died on adjournment. Similar provisions were enacted in the First Regular Session in Public Law 2015, chapter 267, Part QQQ of the biennial budget bill LD 1019, summarized by the Joint Standing Committee on Appropriations and Financial Affairs.

LD 973 An Act To Ensure That Nicotine Products Are Taxed Equally

ONTP

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

This bill was carried over from the First Regular Session of the 127th Legislature.

This bill includes an electronic cigarette in the definition of "cigarette" for the purpose of assessing the cigarette tax and provides a definition of "electronic cigarette."

LD 1000 An Act To Define Prosthetic and Orthotic Devices for Purposes of the Sales Tax Law

PUBLIC 495

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GIDEON S ALFOND J	OTP-AM	H-110 S-494 HAMPER J

This bill was reported out of committee in the prior session and then carried over on the Special Appropriations Table.

Joint Standing Committee on Taxation

The bill creates definitions for "prosthetic or orthotic device" and "prescription" within the sales tax exemption laws. It attempts to clarify the sales tax exemption for prosthetic devices and exempts orthotic devices sold by prescription.

Committee Amendment "A" (H-110)

This amendment clarifies the term "health care practitioner" who may prescribe potentially exempt items under the bill by adding a cross reference to that definition in the Maine Revised Statutes, Title 24, section 2502.

Senate Amendment "A" (S-494)

This amendment changes the effective date of this Act from October 1, 2015 to October 1, 2016.

Enacted Law Summary

Public Law 2015, chapter 495 creates definitions for "prosthetic or orthotic device" and "prescription" within the sales tax exemption laws. It clarifies the term "health care practitioner" who may prescribe potentially exempt items by adding a cross reference to that definition in the Maine Revised Statutes, Title 24, section 2502.

LD 1004	An Act To Provide Incentives To Foster Economic Growth and Build Infrastructure in the State by Encouraging Visual Media Production	Died On Adjournment
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<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PICCHIOTTI J WHITTEMORE R	ONTP OTP-AM	H-326

This bill was reported out of committee in the prior session and then carried over on the Special Appropriations Table.

This bill makes the following changes to the visual media production certification process, reimbursement and credit.

1. It specifies that a visual media production expense must be for preproduction, production and postproduction work performed in Maine.
2. It increases the cap on wages that can be included as a visual media production expense from \$50,000 per individual to \$250,000 per individual.
3. It requires the applicant for visual media production certification to agree to pay an administrative fee before being reimbursed. The administrative fee is 0.2% of the reimbursement amount, except that the minimum amount of the fee may not be less than \$200 and the maximum amount of the fee may not exceed \$5,000.
4. It specifies that the reimbursement for certified production wages is only for wages paid to below-the-line personnel, which includes nonstarring cast members and the technical production and postproduction staff of a visual media production company.
5. It increases the reimbursement rate from 12% to 25% of certified production wages that are paid to Maine residents and from 10% to 15% for certified production wages paid to non-Maine residents.
6. It repeals the certified visual media production tax credit and instead provides for the reimbursement of 25% of nonwage visual media production expenses as long as the company has at least \$30,000 in visual media production expenses from the certified production.