

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.

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This bill was carried over on the Special Appropriations Table to any special or regular session of the 127th Legislature by joint order, S.P. 555.

LD 1146 An Act To Increase Investment in Maine

**Died Between
Houses**

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

This bill taxes capital gains derived from the sale of real property held in Maine for business purposes for more than one year at three percent rather than the general income tax rate.

Committee Amendment "A" (H-325)

This amendment, the minority report of the committee, replaces the special income tax rate provided in the bill for certain capital gains derived from the sale of real property held for business purposes for more than one year with an income tax credit for those gains realized during the taxable year attributable to real property in the State. The amendment also adds an appropriations and allocations section.

LD 1148 An Act To Implement a Local Ballot Referendum for Municipalities To Disallow Tax-exempt Status to Large Land Trusts

ONTP

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

This bill allows a municipality, by referendum, to deny tax-exempt status to land trusts that are at least 20 acres in size. If the municipality denies tax-exempt status for a land trust, it must deny tax-exempt status to all land trusts of at least 20 acres located in that municipality.

LD 1159 An Act To Modify the Property Tax Abatement Laws

ONTP

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

This bill limits the amount of property taxes an assessing authority may abate for hardship, poverty or inability to pay to the amount of taxes owed on the residence and no more than two acres of land owned by the person seeking abatement.

LD 1164 An Act To Promote Tourism and Foster Economic Development

ONTP

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

This bill provides a refundable income tax credit for expenses and wages directly incurred in Maine by a major

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visual media production company, including for content that is produced for the Internet, in an amount of up to 25 percent of production expenses if the overall budget is greater than \$1,000,000, not including wages for starring cast or the director, writer or producers. The credit must be claimed in the taxable year in which the major visual media production is completed.

A major visual media production company must submit a nonrefundable application fee, which is 0.2 percent of the estimated tax credit but may be no less than \$200 and no more than \$5,000. The Department of Economic and Community Development may deny a certificate for a visual media production or a major visual media production for any reason. The department is required to deny a certificate if it would qualify the production for tax credits in excess of the funds appropriated for that purpose.

Many of the provisions of this bill were incorporated in the committee amendment to LD 1004.

LD 1254 An Act To Implement and Fund an Integrated Beach Management Program

CARRIED OVER

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

This bill establishes a funding mechanism for an integrated coastal beach management program. It imposes a \$1 per day fee, effective October 1, 2015, on the rental, between May 1st and October 31st, of living quarters in any hotel, rooming house or tourist or trailer camp, to be deposited into the Beach Management Fund established by the bill to be used to develop coordinated programs for technical assistance to municipalities and homeowners; to provide assistance in the development and implementation of local beach management, preservation and restoration projects; and to reimburse the department for administrative costs. This bill also establishes the Beach Advisory Group to advise the Department of Environmental Protection and report to the Legislature on matters related to the management, preservation and restoration of beaches in the State. This bill directs and provides criteria for the department in coordination with other state agencies to develop and maintain a priority list ranking all beaches within the State based on suitability for beach nourishment, dune restoration, land acquisition or other enhancement techniques and report priority recommendations to the Legislature by January 1, 2016.

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

LD 1269 An Act To Restore Some Progressivity and Fairness to the State Income Tax

ONTP

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

This bill adds a new marginal income tax rate of ten percent on income tax filers with taxable income in the top two percent of all taxpayers beginning with 2016 tax years. The State Tax Assessor is directed to determine the top taxable income threshold amount establishing the top two percent of taxpayers every three years. Bracket amounts are indexed for inflation in the years in which a new calculation is not made.

See also LD 95 and LD 835.