

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
127<sup>TH</sup> 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

127<sup>TH</sup> 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 127<sup>th</sup> 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 127<sup>th</sup> 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*

7. It specifies that, in order to be eligible for either the certified production wage reimbursement or the nonwage visual media production expense reimbursement, at least 50% of the below-the-line personnel, not including extras, must be Maine residents, unless the company certifies that it cannot meet this requirement due to an insufficient number of qualified Maine residents, and either the visual media production expenses exceed 50% of the total production expenses or at least 50% of the total principle photography days occur in Maine.

8. It specifies that a person claiming the Pine Tree Development Zone tax credit is not eligible to get the visual media production reimbursement.

### **Committee Amendment "A" (H-326)**

This amendment, the minority report of the committee, removes the emergency preamble and emergency clause from the bill and adds provisions establishing a refundable income tax credit for a major visual media production, which is defined as a visual media production with an overall budget that is greater than \$1,000,000. The credit applies to tax years beginning on or after January 1, 2015. The amendment also requires the joint standing committee of the Legislature with jurisdiction over taxation matters to review by December 1, 2021 the reimbursements and tax credits for visual media production companies and make a recommendation to the Legislature with regard to retention, repeal or modification of the provisions. The amendment also adds an appropriations and allocations section.

This bill remained on the Special Appropriations Table and died on adjournment.

### **LD 1142 An Act Regarding the Taxation of Out-of-state Pensions**

**Died On  
Adjournment**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TURNER B BURNS D	OTP-AM	H-340

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

The bill avoids double taxation of certain employee contributions to retirement benefit plans made in other states by exempting from Maine income tax the portion of retirement benefits attributable to the taxpayer's contribution to an employee retirement plan or an individual retirement account that was taxed by another jurisdiction.

### **Committee Amendment "A" (H-340)**

This amendment provides that the proposed income tax exemption for certain income from out-of-state pensions applies only to the extent the income is included in federal adjusted gross income and not deducted under the general pension deduction. The amendment also adds a definition of "another jurisdiction."

This bill remained on the Special Appropriations Table and died on adjournment.

### **LD 1421 Resolve, Directing the Treasurer of State To Study the Most Effective Options for Maine Residents To Participate in Tax-advantaged Savings Accounts for Persons with Disabilities**

**RESOLVE 57**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
POULIOT M LIBBY N	OTP-AM	H-509

## *Joint Standing Committee on Taxation*

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

The bill establishes the ABLE ME Savings Program, based on the federal Achieving a Better Life Experience Act of 2014 (ABLE), to allow individuals with disabilities to establish savings accounts to be used for qualified disability expenses. Distributions from the account for qualified disability expenses, as well as the earnings of the account, are tax exempt. Eligibility standards and qualified disability expenses are defined under the federal Act. The program is administered by the Treasurer of State in compliance with the federal Act. The Treasurer of State is authorized to contract with financial organizations to serve as depositories or managers of the program and may establish fees to cover the cost of administration.

### **Committee Amendment "A" (H-509)**

This amendment changes the bill to a resolve directing the Treasurer of State to review the experience of other states in implementing tax-advantaged qualified savings programs for qualified individuals with disabilities under the federal ABLE Act and to report the results of the Treasurer of State's research and recommendations to the joint standing committee of the Legislature having jurisdiction over taxation matters of the 128th Legislature by January 15, 2017. The committee is authorized to submit a related bill to the First Regular Session of the 128th Legislature.

### **Enacted Law Summary**

Resolve 2015, chapter 57 directs the Treasurer of State to review the experience of other states in implementing tax-advantaged qualified savings programs for qualified individuals with disabilities under the federal ABLE Act and to report the results of the Treasurer of State's research and recommendations to the joint standing committee of the Legislature having jurisdiction over taxation matters of the 128th Legislature by January 15, 2017. The committee is authorized to submit a related bill to the First Regular Session of the 128th Legislature.

**LD 1457      Resolve, Authorizing the State Tax Assessor To Convey the Interest of  
the State in Certain Real Estate in the Unorganized Territory**

**RESOLVE 59  
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MCCORMICK E	OTP-AM	S-361

This resolve authorizes the State Tax Assessor to convey the interest of the State in several parcels of real estate in the Unorganized Territory that were acquired for nonpayment of property taxes.

### **Committee Amendment "A" (S-361)**

This amendment incorporates a fiscal note.

### **Enacted Law Summary**

The bill authorizes the State Tax Assessor to convey the interest of the State in several parcels of real estate in the Unorganized Territory that were acquired for nonpayment of property taxes.

Resolve 2015, chapter 59 was finally passed as an emergency measure effective March 10, 2016.