

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 1506

An Act To Make Additional Technical Changes to Recently Enacted Tax Legislation Concerning Pension Income

**PUBLIC 382
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FREDETTE K	OTP-AM	H-510

This bill makes the following changes to the Maine tax laws.

1. It corrects a change made by Public Law 2015, chapter 267 to the individual income tax pension deduction for tax years beginning in 2014 and 2015 to ensure that military pensions will not be offset by social security benefits and railroad retirement benefits received by the taxpayer during the taxable year. This change is retroactive to June 30, 2015, the effective date of Public Law 2015, chapter 267.
2. It clarifies the offset of social security and railroad retirement benefits in calculating the pension income deduction for tax years beginning on or after January 1, 2016.
3. It removes an incorrect reference to "tax years beginning in 2014" that appears in the individual income tax pension deduction provision that applies to tax years beginning after 2015.
4. It updates references to the statutory provisions governing the pension deduction in order to reflect recent changes.

Committee Amendment "A" (H-510)

This amendment incorporates a fiscal note.

Enacted Law Summary

The bill makes the following changes to the Maine tax laws.

1. It corrects a change made by Public Law 2015, chapter 267 to the individual income tax pension deduction for tax years beginning in 2014 and 2015 to ensure that military pensions will not be offset by social security benefits and railroad retirement benefits received by the taxpayer during the taxable year. This change is retroactive to June 30, 2015, the effective date of Public Law 2015, chapter 267.
2. It clarifies the offset of social security and railroad retirement benefits in calculating the pension income deduction for tax years beginning on or after January 1, 2016.
3. It removes an incorrect reference to "tax years beginning in 2014" that appears in the individual income tax pension deduction provision that applies to tax years beginning after 2015.
4. It updates references to the statutory provisions governing the pension deduction in order to reflect recent changes.

Public Law 2015, chapter 382 was enacted as an emergency measure effective March 1, 2016.