

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
128<sup>TH</sup> LEGISLATURE  
FIRST REGULAR SESSION



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

**JOINT STANDING COMMITTEE ON TAXATION**

August 2017

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\*Committee member for a portion of the session

# STATE OF MAINE

128<sup>TH</sup> LEGISLATURE  
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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 128<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 FINAL 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 128<sup>th</sup> Legislature is Wednesday, November 1, 2017. 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 289**      **An Act To Extend the Veteran Property Tax Exemption to Veterans Who Have Served on Active Duty**      **CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
STANLEY S	OTP-AM OTP-AM ONTP	H-232

This bill removes the requirement that a veteran must have served during a federally recognized war period to be eligible for a property tax exemption, thereby making the exemption available to all veterans of the Armed Forces of the United States who are 62 years of age or older or have qualifying disabilities. This bill does not change the amounts of the exemption or other qualifying conditions.

**Committee Amendment "A" (H-232)**

This amendment, which is the majority report, adds a General Fund appropriation of \$15,000 in fiscal year 2018-19 to the Department of Administrative and Financial Services to reimburse municipalities for state mandated administrative costs associated with implementing this property tax exemption and includes a fiscal note indicating the amount required in the next biennium for constitutionally mandated reimbursement to municipalities of 50% of the revenue loss attributable the expansion of the exemption.

**Committee Amendment "B" (H-233)**

This amendment, which is a minority report, requires the State to reimburse municipalities for 100% of the property tax revenue loss as a result of the extension of the veterans' property tax exemption to veterans who did not serve during a federally recognized war period. This amendment also adds a General Fund appropriation of \$15,000 in fiscal year 2018-19 to the Department of Administrative and Financial Services to reimburse municipalities for state-mandated administrative costs associated with implementing this property tax exemption.

This amendment was not adopted.

This bill was reported out of committee and then carried over to the next special or regular session of the 128th Legislature on the Special Appropriations Table by joint order, S.P. 601.

**LD 290**      **An Act To Phase Out the Insurance Premium Tax on Annuities**      **Died On Adjournment**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CHACE P CUSHING A	OTP-AM	H-282

This bill phases out the insurance premium tax on annuity considerations over four years beginning in 2018. Annuity considerations become no longer subject to insurance premium tax beginning in 2021.

**Committee Amendment "A" (H-282)**

This amendment provides that premiums on annuities are subject to premium tax during the phase-out period proposed in the bill at the prescribed rate only if the insurer credits the savings from the rate reduction to annuity holders. The amendment clarifies that certain deductions related to annuities may be deducted only from annuity considerations for tax periods beginning on or after January 1, 2018. The amendment also provides one-time funding to the Department of Administrative and Financial Services to adjust the premium tax return.