

# 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  
FIRST 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 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 664      An Act To Exempt Gold and Silver Coins and Bullion from Sales Tax      ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BRAKEY E LONGSTAFF T	ONTP	

This bill provides a sales tax exemption for sales of gold and silver coins and bullion.

**LD 707      An Act To Base the Motor Vehicle Excise Tax on the Purchase Price of the Motor Vehicle      ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
ORDWAY L DOW D	ONTP	

This bill requires that the motor vehicle excise tax for all motor vehicles and camper trailers be based upon the purchase price of the vehicle. Either the original bill of sale or the state sales tax document may be used to verify the purchase price.

See also LD 26 and LD 1521.

**LD 708      An Act To Use Taxes on Nonmedical Marijuana and Increase the Tax on Cigarettes To Partially Offset the 3% Income Tax Surcharge      ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DENNO D BREEN C	ONTP	

This bill increases the sales tax on nonmedical marijuana from 10% to 15% and the tax on cigarettes from \$2.00 per pack of 20 cigarettes to \$2.50 per pack. The bill provides that revenue from these increases is deposited in the newly created Surcharge Relief Fund to be used to reduce the rate of the 3% surcharge on taxable income exceeding \$200,000. The bill contains an effective date of October 1, 2017.

With regard to the 3% surcharge, see also LDs 291, 377, 571, 829 and 851.

**LD 727      An Act To Protect the Tax Base of Municipalities by Removing the Property Tax Exemption for Land Held for Conservation or Public Access Purposes      Accepted Majority (ONTP) Report**

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

This bill provides that holding land primarily for conservation or public access purposes is not a benevolent or charitable purpose, which is a necessary requirement to obtaining an exemption from property tax. The change applies to property tax years beginning on or after April 1, 2018.

*Joint Standing Committee on Taxation*

**Committee Amendment "A" (H-103)**

This amendment, which is the minority report, incorporates a fiscal note.

This amendment was not adopted.

**LD 733      An Act Regarding Maine's Tax Code**

**Leave to Withdraw  
Pursuant to Joint  
Rule**

Sponsor(s)

TIPPING R

Committee Report

Amendments Adopted

This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to make changes to certain taxes imposed pursuant to Maine law.

**LD 741      An Act To Provide Equity in Education Funding**

**Leave to Withdraw  
Pursuant to Joint  
Rule**

Sponsor(s)

STEARNS P

Committee Report

Amendments Adopted

This bill allows a municipality that is a member of a school administrative unit receiving the minimum state share for education funding to impose by referendum a local option sales tax of up to 1% to be used for funding kindergarten to grade 12 education and reducing the property tax rate. This bill also repeals a provision of the education funding laws calculating a minimum state share of costs based on a percentage of special education cost.

See also LDs 915, 1230, 1265 and 1522.

**LD 779      An Act To Allow Aroostook County To Create Tax Increment Financing  
Districts**

**ONTP**

Sponsor(s)

MARTIN J  
JACKSON T

Committee Report

ONTP

Amendments Adopted

This bill authorizes Aroostook County to establish development districts qualifying for tax increment financing within the county in the same manner that a municipality or plantation may establish such a development district.