

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals  
(may include minor formatting differences from printed original)

**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

**STAFF:**

JULIE JONES, SENIOR LEGISLATIVE ANALYST

OFFICE OF FISCAL AND PROGRAM REVIEW  
5 STATE HOUSE STATION  
AUGUSTA, ME 04333  
(207) 287-1635  
<http://legislature.maine.gov/ofpr>

**MEMBERS:**

SEN. DANA L. DOW, CHAIR  
SEN. ANDRE E. CUSHING III  
SEN. JUSTIN M. CHENETTE

REP. RYAN TIPPING, CHAIR  
REP. STEPHEN S. STANLEY  
REP. JANICE E. COOPER  
REP. GAY M. GRANT  
REP. JOYCE MCCREIGHT\*  
REP. DENISE A. TEPLER\*  
REP. MAUREEN FITZGERALD TERRY  
REP. GARY L. HILLIARD  
REP. BRUCE A. BICKFORD  
REP. MATTHEW G. POULIOT  
REP. KARLETON S. WARD

\*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*

after 2019 and it enacts the Fund to Advance Public Kindergarten to Grade 12 Education, but only if approved by the voters at referendum in November 2018.

See also LDs 291, 377, 571, 708 and 829.

**LD 874      An Act To Expand the Authority of Municipalities To Implement a Property Tax Deferral Program** **Accepted Majority (ONTP) Report**

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

This bill expands the current authority for municipalities to adopt a property tax deferral program for persons who are 70 years of age or older to include other individuals based on factors such as age, income or assets.

**LD 875      An Act To Reduce Property Taxes** **ONTP**

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

This bill changes the formula for calculating distributions of state-municipal revenue-sharing funds. The bill provides that revenue-sharing funds will be distributed only to municipalities with mill rates exceeding 10 mills. The bill also provides an adjustment that results in greater reimbursements to municipalities that have a lower mill rate than their average mill rate for the preceding five years than to municipalities that do not. The new distribution formula applies beginning in the 2018-19 fiscal year.

See also LDs 74, 133, 492 and 1227.

**LD 885      An Act To Update References to the United States Internal Revenue Code of 1986 Contained in the Maine Revised Statutes** **PUBLIC 24 EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DOW D	OTP	

This bill, which was submitted by the Department of Administrative and Financial Services, updates references to the United States Internal Revenue Code of 1986 contained in the Maine Revised Statutes, Title 36 to refer to the United States Internal Revenue Code of 1986, as amended through December 31, 2016, for tax years beginning on or after January 1, 2016, and for any prior tax years as specifically provided by the United States Internal Revenue Code of 1986, as amended. This bill primarily affects the State's income tax laws.

**Enacted Law Summary**

Public Law 2017, chapter 24 updates references to the United States Internal Revenue Code of 1986 contained in the Maine Revised Statutes, Title 36 to refer to the United States Internal Revenue Code of 1986, as amended through December 31, 2016, for tax years beginning on or after January 1, 2016 and for any prior tax years as specifically provided by the United States Internal Revenue Code of 1986, as amended. This law primarily affects the State's income tax laws.

*Joint Standing Committee on Taxation*

Public Law 2017, chapter 24 was enacted as an emergency measure effective April 26, 2017.

**LD 887      An Act To Provide Relief to Maine Property Tax Payers**

**ONTP**

Sponsor(s)

BRAKEY E

Committee Report

ONTP

Amendments Adopted

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

This bill proposes to change the method for providing property tax relief through State-municipal revenue sharing by providing benefits directly to property tax payers through a state tax credit rather than through distributions to municipalities. The maximum an individual taxpayer could receive would be 80% of the individual's annual property tax bill. The maximum a corporate taxpayer could receive would be 40% of its annual property tax bill. The credit would be calculated as a percentage of the total revenue sharing funds based on a taxpayer's annual bill, the percentage of total revenue sharing funds attributable to the municipality where the taxpayer's property is located and the taxpayer's annual property tax liability as a percentage of annual property tax liability statewide.

**LD 904      An Act To Require the County Commissioners To Adjust the Assessed Value of a Municipality When They Grant an Abatement Request**

**ONTP**

Sponsor(s)

JOHANSEN C  
CARPENTER M

Committee Report

ONTP

Amendments Adopted

This bill requires the county commissioners for a municipality or primary assessing area to whom an appeal of an assessment has been made to adjust downward the valuation of that municipality or primary assessing area when the county commissioners grant the abatement. The adjustment must be equal to the amount of the abatement.

**LD 915      An Act To Lower Property Taxes**

**ONTP**

Sponsor(s)

HYMANSON P  
WOODSOME D

Committee Report

ONTP

Amendments Adopted

This bill requires payments beginning in fiscal year 2018-19 to a municipality of an amount, as determined by the State Tax Assessor, equal to 5% of the sales and use tax revenue attributable to the municipality in the previous fiscal year. The amount received may not reduce any other state aid or revenue sharing received by that municipality, and the municipality must use the amount received to reduce property taxes by the same amount. The Unorganized Territory Education and Services Fund receives the local sales tax payment for the unorganized territory and is subject to the same requirement to use the revenue to reduce property taxes.

See also LDs 741, 1230, 1265 and 1522.