

MAINE STATE LEGISLATURE

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STATE OF MAINE
128TH 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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STATE OF MAINE

128TH 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 128th 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 128th 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 1027 An Act Regarding the Taxation of Certain Nonprofit Organizations

Veto Sustained

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| SAVIELLO T | OTP | |

This bill provides a sales tax exemption for sales of prepared food by a civic, religious or fraternal organization, including an auxiliary of such an organization, at a public or member-only event, except when alcoholic beverages are available for sale at the event, for up to 24 days during a calendar year.

The substance of this bill was included in LD 1551, enacted as Public Law 2017, chapter 211.

LD 1071 An Act To Modify the Tax Increment Financing Laws

ONTP

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| SAVIELLO T | ONTP | |

This bill amends the tax increment financing laws with regard to TIF costs for services and equipment used to provide skills development and training. The bill caps the amount that may be included at 20% of total project costs and by requiring that funding priority to be given to services, equipment and training for jobs created or retained in the municipality, plantation or unorganized territory.

LD 1076 An Act To Replace Municipal Property Tax Revenue Lost Due to Land Acquisitions under the Land for Maine's Future Fund

ONTP

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|------------------------|-------------------------|---------------------------|
| HANINGTON S MAKER J | ONTP | |

This bill requires that if a Land for Maine's Future acquisition removes a taxable property from the tax roll of a municipality or the unorganized territory on or after April 1, 2018, the State annually must reimburse the municipality or unorganized territory in an amount equal to the tax the municipality or unorganized territory would have received for that property.

LD 1078 An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2017-18

**PUBLIC 121
EMERGENCY**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| | OTP-AM | H-237 |

This bill establishes municipal cost components for state and county services provided to the unorganized territory that would normally be paid for by a municipality. The municipal cost components constitute the property tax for the unorganized territory.

Committee Amendment "A" (H-237)

This amendment incorporates a fiscal note.

Joint Standing Committee on Taxation

Enacted Law Summary

Public Law 2017, chapter 121 establishes municipal cost components for state and county services provided to the unorganized territory that would normally be paid for by a municipality. The municipal cost components constitute the property tax for the unorganized territory.

Public Law 2017, chapter 121 was enacted as an emergency measure effective June 2, 2017.

**LD 1106 RESOLUTION, Proposing an Amendment to the Constitution of Maine
To Dedicate All Sales Taxes from All Vehicle Sales and Any
Vehicle-related Sales to the Highway Fund for Roads and Bridge
Capital Improvements** **Died Between
Houses**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-----------------------|-------------------------|---------------------------|
| PARRY W MIRAMANT D | OTP-AM ONTP | |

This resolution proposes to amend the Constitution of Maine to dedicate all sales and use tax revenue from sales of motor vehicles and sales related to motor vehicles to the Highway Fund for roads and bridge capital improvements.

Committee Amendment "A" (H-387)

This amendment, which was the majority report, incorporates a fiscal note.

This amendment was not adopted.

LD 1121 An Act Regarding the Exclusive Use of Tax Exempt Property **Accepted Majority
(ONTP) Report**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-----------------------|-------------------------|---------------------------|
| KINNEY J CUSHING A | ONTP OTP-AM | |

This bill amends the exemption from property tax provided to benevolent and charitable incorporated institutions and to scientific and literary institutions to specify that the exemption does not apply to property that is used incidentally in the provision of goods, services or materials in exchange for any type of consideration.

Committee Amendment "A" (H-104)

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

This amendment was not adopted.

**LD 1123 An Act To Allow an Income Tax Deduction for Interest Paid on Student
Loans** **Accepted Majority
(ONTP) Report**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| DION M GRANT G | ONTP OTP-AM | |