

MAINE STATE LEGISLATURE

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STATE OF MAINE
128TH LEGISLATURE
FIRST SPECIAL, SECOND REGULAR AND SECOND SPECIAL SESSIONS



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

JOINT STANDING COMMITTEE ON TAXATION

October 2018

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STATE OF MAINE

128TH LEGISLATURE

FIRST SPECIAL, SECOND REGULAR AND SECOND SPECIAL SESSIONS



LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contain summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Special, Second Regular and Second Special Sessions 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 dates for non-emergency legislation enacted in the First Special, Second Regular or Second Special Sessions of the 128th Legislature are: Monday, February 5, 2018; Wednesday, August 1, 2018; and Thursday, December 13, 2018, respectively. 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 1196

An Act To Assist Seniors and Certain Persons with Disabilities in Paying Property Taxes

Died On Adjournment

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BAILEY D	OTP-AM	H-236

This bill was reported out of committee in the First Regular Session of the 128th Legislature and then carried over to the Second Regular Session on the Special Appropriations Table. The bill was again carried over, still on the Special Appropriations Table, from the Second Regular Session to the next special session by joint order S.P. 748.

This bill reinstates the State's property tax deferral program, which was in effect for applications filed before April 1, 1991. The bill modifies the program to include households with at least one individual who is 65 years of age or older or who is retired from gainful employment due to disability and to surviving spouses who are at least 60 years of age or who are retired from gainful employment due to disability and provides that household income must be less than \$40,000. This limit is indexed for inflation in 2019 and annually thereafter. The bill also eliminates provisions requiring accrual of interest on deferred property taxes.

Committee Amendment "A" (H-236)

This amendment removes the provisions of the bill that eliminate the requirement that interest accrues on deferred property taxes and provides that interest accrues on deferred property taxes at the prime rate published in the Wall Street Journal minus one percentage point. The amendment adds a maximum asset standard for eligibility of property owners and provides that property may not be subject to deferral under both the state deferral program and a municipal deferral program. The amendment also provides an appropriation to cover the cost of state administration of the program and the initial cost of making payments to municipalities for deferred taxes.

LD 1212

An Act To Amend the Definition of "Eligible Business Equipment" for the Purposes of the Business Equipment Tax Exemption Program

Died On Adjournment

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KATZ R SPEAR J	OTP-AM	S-180

This bill was reported out of committee in the First Regular Session of the 128th Legislature and then carried over to the Second Regular Session on the Special Appropriations Table. The bill was again carried over, still on the Special Appropriations Table, from the Second Regular Session to the next special session by joint order S.P. 748.

This bill changes the statutory location of the tax exemption for personal property occupied or used solely for its own purposes by an incorporated benevolent and charitable organization that is exempt from taxation under section 501 of the Internal Revenue Code and the primary purpose of which is the operation of a hospital licensed by the Department of Health and Human Services, a health maintenance organization or a blood bank. This bill moves the exemption from the statutes regarding exemption of real and personal property to the statutes governing exemption of "eligible business equipment" under the business equipment tax exemption, or "BETE," program. Municipalities are reimbursed for a portion of the property tax loss for exemptions under the BETE program.

Committee Amendment "A" (S-180)

This amendment changes the application date in the bill to tax years beginning on or after April, 1, 2018.