

# 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

**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>

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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 1287 An Act To Strengthen Efforts To Recruit and Retain Primary Care Professionals and Dentists in Rural and Underserved Areas of the State**

**CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
JACKSON T WARD K	OTP-AM	S-121

This bill extends through 2026 the income tax credit for eligible dentists who practice in underserved areas. With respect to the primary care access credit, the bill increases the number of primary care professionals who practice in underserved areas who may be certified for the credit and allows the credit for primary care professionals to remain in effect beyond January 1, 2019.

**Committee Amendment "A" (S-121)**

This amendment incorporates a fiscal note.

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 1289 An Act To Allow Voluntary Payments in Lieu of Taxes in the Unorganized Territory**

**PUBLIC 193**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DILL J MARTIN J	OTP-AM	S-122

This bill allows an owner of tax exempt property located in the unorganized territory to make a voluntary payment in lieu of taxes, which is required to be deposited into the county unorganized territory fund of the county in which the tax-exempt property is located to pay for municipal services in the unorganized territory.

**Committee Amendment "A" (S-122)**

This amendment provides that the process provided in the bill for payments in lieu of taxes in the unorganized territory applies only for certain nonprofit property owners. The amendment also changes the allocation of the provision to place it in the chapter of the Maine Revised Statutes governing property taxes in the unorganized territory.

**Enacted Law Summary**

Public Law 2017, chapter 193 provides that an owner of tax exempt property of certain nonprofit organizations located in the unorganized territory may make a voluntary payment in lieu of taxes. The payment must be deposited into the county unorganized territory fund of the county in which the tax-exempt property is located to pay for municipal services in the unorganized territory.

**LD 1317 An Act To Encourage Family-friendly Businesses through a Tax Credit for Child Care**

**CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HERBIG E VOLK A	OTP-AM ONTP	H-234

## *Joint Standing Committee on Taxation*

This bill amends the tax credit allowed for employer-assisted day care, which expired at the end of 2015, except for the ability to carry forward unused credits.

This bill revives the credit for tax years beginning in 2017 or later but changes the amount of the credit provided to an employer who provides day care services for the children of its employees, either directly or through payments to a day care operated or licensed by the Department of Health and Human Services. The credit is the lesser of 50% of the employer's income tax liability and 75% of the costs incurred by the employer in providing day care services for children of employees of the taxpayer.

### **Committee Amendment "A" (H-234)**

This amendment incorporates a fiscal note.

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.

<b>LD 1338</b>	<b>An Act To Create and Sustain Jobs through Development of Cooperatives and Employee-owned Businesses</b>	<b>CARRIED OVER</b>
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<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GROHMAN M CUSHING A		

This bill provides tax benefits for employee-owned businesses and cooperatives in the following ways.

1. It excludes from Maine income tax the amount of gain recognized by a business owner in transferring the business to an employee stock ownership plan, eligible worker-owned cooperative, consumer cooperative or affordable housing cooperative.
2. It excludes from Maine income tax interest from loans that finance transfers of ownership from a business to an employee stock ownership plan, eligible worker-owned cooperative, consumer cooperative or affordable housing cooperative.

This bill was carried over to any special or regular session of the 128th Legislature by joint order, H.P. 1138.

<b>LD 1405</b>	<b>An Act To Require Remote Sellers To Collect and Remit Sales and Use Tax on Sales into Maine</b>	<b>PUBLIC 245</b>
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<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
COLLINS R PARRY W	OTP-AM OTP-AM	S-181

This bill permits retailers to retain an amount equal to up to 2% of the sales and use taxes they collect.

This bill also requires certain remote sellers to collect and remit to the State the sales or use tax imposed by the State on the sale of tangible personal property for delivery into the State, a product transferred electronically or a service that is taxable by this State. This requirement applies to a person whose gross revenue from delivery of taxable tangible personal property, a product transferred electronically or a service into Maine in the previous calendar year or current calendar year exceeds \$100,000 or to a person that sold taxable tangible personal property, a product transferred electronically or a service into this State in at least 200 separate transactions in the previous calendar year or the current calendar year.