

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 1317

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

Died On Adjournment

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

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 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, which is the majority report, incorporates a fiscal note.

LD 1338

An Act To Create and Sustain Jobs through Development of Cooperatives and Employee-owned Businesses

Died On Adjournment

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GROHMAN M CUSHING A	OTP-AM	H-767

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 supports 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.

Committee Amendment "A" (H-767)

This amendment restricts the proposed income tax deduction to businesses with 100 or fewer employees, limits the deduction to tax years from 2018 to 2025, provides a process for evaluation of the deduction and reporting of information and makes clarifying and technical changes.