MAINE STATE LEGISLATURE

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STATE OF MAINE

129TH LEGISLATURE FIRST REGULAR SESSION



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

JOINT STANDING COMMITTEE ON TAXATION

August 2019

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*Committee member for a portion of the session

STATE OF MAINE

129th 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 129th 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	e
CON RES XXX	S
CONF CMTE UNABLE TO AGREE	d
DIED BETWEEN HOUSES	d
DIED IN CONCURRENCE defeated in each house, but on different motions; legislation died	d
DIED ON ADJOURNMENT action incomplete when session ended; legislation died	d
EMERGENCYenacted law takes effect sooner than 90 days after session adjournment	t
FAILED, EMERGENCY ENACTMENT or FINAL PASSAGEemergency failed to receive required 2/3 vote	e
FAILED, ENACTMENT or FINAL PASSAGE failed to receive final majority vote	e
FAILED, MANDATE ENACTMENTlegislation proposing local mandate failed required 2/3 vote	e
HELD BY GOVERNOR Governor has not signed; final disposition to be determined at subsequent session	i
LEAVE TO WITHDRAWsponsor's request to withdraw legislation granted	d
NOT PROPERLY BEFORE THE BODYruled out of order by the presiding officer; legislation died	
INDEF PP indefinitely postponed; legislation died	d
ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X ought-not-to-pass report accepted; legislation died	
P&S XXX	v
PUBLIC XXX	v
RESOLVE XXX	
VETO SUSTAINEDLegislature failed to override Governor's veto	9

The effective date for non-emergency legislation enacted in the First Regular Session of the 129th Legislature is Thursday, September 19, 2019. 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 86 An Act To Provide That Persons Who Produce Maple Syrup and Honey Commercially Are Eligible for the Sales Tax Refund and Exemption for Commercial Agricultural Production

PUBLIC 7
EMERGENCY

Sponsor(s)	Committee Report	Amendments Adopted
KINNEY M	OTP	
BLACK R		

This bill expands the sales tax refund and exemption for commercial agricultural production to include the commercial production of maple syrup and honey.

Enacted Law Summary

Public Law 2019, chapter 7 expands the sales tax refund and exemption for commercial agricultural production to include the commercial production of maple syrup and honey.

Public Law 2019, chapter 7 was enacted as an emergency measure effective March 25, 2019.

LD 104 An Act To Replace the Earned Income Tax Credit with the Maine Work Credit

CARRIED OVER

Sponsor(s)	Committee Report	Amendments Adopted
VITELLI E	OTP-AM	S-297
TEPLER D	OTP-AM	

This bill expands the earned income tax credit by increasing the credit from 5% to 15% of the federal earned income tax credit and extending the credit to persons from 18 to 24 years of age who have no qualifying child. This bill also requires the Department of Labor, Bureau of Labor Standards to provide a poster or notice to employers that states that employees may be eligible for the earned income tax credit. This bill requires employers to post the poster or notice in a place that is accessible to the employers' employees.

Committee Amendment "A" (S-297)

This amendment, which is the majority report, replaces the provisions of the bill amending the earned income tax credit with the Maine work credit. The Maine work credit is similar to the federal earned income tax credit but uses different factors for calculating the credit that are intended to produce a state credit for individuals with qualifying children that is approximately 23% of the federal credit and for individuals with no qualifying children that is approximately 70% of the federal credit. The bill also provides eligibility for individuals who are at least 18 years of age but less than 25 years of age who have no qualifying children and creates a minimum credit for students and eligible caregivers.

The amendment also adds an appropriations and allocations section.

Committee Amendment "B" (S-298)

This amendment, which is the minority report, expands the earned income tax credit by increasing the credit from 5% of the federal earned income tax credit to 60% for individuals with no qualifying children and 15% of the federal earned income tax credit for all other eligible individuals for tax years beginning in 2020 and increasing each year until it reaches 23% for tax years beginning in 2023 and after.

This amendment also adds an appropriations and allocations section.

Joint Standing Committee on Taxation

This amendment was not adopted.

This bill was reported out of committee and then carried over to any special or regular session, or both, of the 129th Legislature on the Special Appropriations Table by joint order, H.P. 1322.

See also LD 1491.

LD 107 An Act To Lower the Maine Individual Income Tax Incrementally to ONTP Zero

Sponsor(s)	Committee Report	Amendments Adopted
HANLEY J	ONTP	
CYRWAY S		

This bill provides for the phase-out of the individual income tax by reducing income taxes calculated using current law by 25% for tax years beginning on or after January 1, 2020 and requiring additional reductions when General Fund revenue exceeds the amount received in the fiscal year preceding the previous reduction in taxes.

LD 118 An Act To Direct Vehicle Excise Tax Revenue for Local Transportation ONTP Infrastructure

Sponsor(s)	Committee Report	Amendments Adopted
CEBRA R	ONTP	

This bill provides that revenue received by a municipality from the motor vehicle excise tax must be used for maintenance or improvement of transportation infrastructure within that municipality.

See also LDs 119 and 1031.

LD 119 An Act To Base the Motor Vehicle Excise Tax on the Sale Price

ONTP

Sponsor(s)	Committee Report	Amendments Adopted
CEBRA R	ONTP	

This bill changes the method of computing the motor vehicle excise tax by requiring that the excise tax for all motor vehicles and camper trailers be based upon the purchase price of the vehicle rather than the maker's list price required under current law. Either the original bill of sale or the state sales tax document may be used to verify the purchase price. The bill also requires the State to reimburse a municipality for the difference in the amount of excise tax that would have been collected by the municipality using the maker's list price and amount collected using the actual purchase price.

See also LD 1031.