

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
129<sup>TH</sup> LEGISLATURE  
FIRST SPECIAL AND SECOND REGULAR SESSIONS



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

**JOINT STANDING COMMITTEE ON TAXATION**

November 2020

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# STATE OF MAINE

129<sup>TH</sup> 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 129<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 129<sup>th</sup> 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 163      An Act Regarding Property Tax Relief for Veterans**

**ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FARRIN B HANINGTONS	ONTP	

This bill was carried over in committee from the First Regular Session of the 129th Legislature.

This bill provides enhanced property tax exemptions for certain veterans. A veteran regardless of age becomes eligible for a \$25,000 exemption if the veteran has served at least 90 days of active service and has served in a combat zone. A veteran with a service-connected disability becomes eligible for a \$50,000 exemption if the disability is rated 50% to 90% and a \$100,000 exemption if the disability is rated 100%. A surviving unremarried spouse, minor child or parent who is receiving a pension based on the service of a deceased veteran qualifies for the same exemption the veteran would have been eligible for. A municipality is reimbursed for the constitutionally mandated 50% of the property tax revenue loss as a result of the enhanced exemption.

See also LDs 1042 and 1194.

**LD 164      An Act To Reduce Property Taxes for Maine Residents**

**CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
POULIOT M PIERCE T	OTP-AM	S-231

This bill was carried over on the Special Appropriations Table from the First Regular Session of the 129th Legislature by joint order, H.P. 1322.

This bill increases the total exemption under the Maine resident homestead property tax exemption program to \$50,000 for property tax years beginning on or after April 1, 2020. This bill also increases state reimbursement to municipalities for homestead property tax exemptions from 62.5% to 100% for property tax years beginning on or after April 1, 2020.

**Committee Amendment "A" (S-231)**

This amendment increases the homestead property tax exemption to \$30,000 instead of \$50,000 as in the bill and requires municipalities to include a statement on tax bills regarding the availability of the homestead tax exemption and providing information on how to apply. The amendment also adds an appropriations and allocations section.

Part H of the biennial budget, Public Law 2019, chapter 343, increased the homestead exemption from \$20,000 to \$25,000 and state reimbursement to municipalities from 62.5% to 70%.

See also LD 1234.

This bill was again carried over, still on the Special Appropriations Table, to any special session of the 129th

## *Joint Standing Committee on Taxation*

Legislature by joint order, S.P. 788.

### **LD 193      An Act To Fully Fund and Restore State-Municipal Revenue Sharing**

**CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HARNETT T	OTP-AM OTP-AM	H-260 S-174    CHIPMAN B

This bill was carried over on the Special Appropriations Table from the First Regular Session of the 129th Legislature by joint order, H.P. 1322.

This bill restores state-municipal revenue sharing to 5% from 2% on January 1, 2019.

#### **Committee Amendment "A" (H-260)**

This amendment, which is the majority report of the committee, incorporates a fiscal note.

#### **Committee Amendment "B" (H-261)**

This amendment, which is the minority report of the committee, provides that the state-municipal revenue sharing percentage is 2.5% for fiscal year 2019-20 and 3% for fiscal year 2020-21 and returns to 5% in fiscal year 2021-22. This amendment was not adopted.

#### **Senate Amendment "A" (S-174)**

This amendment removes the emergency preamble and emergency clause.

See also LD 133.

Part H of the biennial budget, Public Law 2019, chapter 343, set state municipal revenue sharing at 3% of the revenue sharing base in fiscal year 2019-20 and 3.75% of the revenue sharing base in fiscal year 2020-21.

This bill was again carried over, still on the Special Appropriations Table, to any special session of the 129th Legislature by joint order, S.P. 788.

### **LD 241      An Act To Adjust the Personal Property Tax Exemption for Farm Machinery**

**CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'NEIL M CARPENTER M	OTP-AM	H-335

This bill was carried over on the Special Appropriations Table from the First Regular Session of the 129th Legislature by joint order, H.P. 1322.

This bill increases the amount of the exemption from personal property taxation for farm machinery from \$10,000 to \$45,000.

#### **Committee Amendment "A" (H-335)**

This amendment provides a time frame for implementation of the increase in the property tax exemption for farm