

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)

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

MEMBERS:

SEN. BEN CHIPMAN, CHAIR
SEN. HEATHER SANBORN
SEN. MATTHEW POULIOT

REP. RYAN TIPPING, CHAIR
REP. STEPHEN S. STANLEY
REP. MAUREEN FITZGERALD TERRY
REP. KRISTEN SARA CLOUTIER
REP. DIANE M. DENK
REP. ANN HIGGINS MATLACK
REP. DONALD G. MAREAN
REP. BRUCK A. BICKFORD
REP. HAROLD TREY STEWART*
REP. THEODORE JOSEPH KRYZAK, JR.
REP. PHILIP CURTIS*

STAFF:

JULIE JONES, SENIOR LEGISLATIVE ANALYST
OFFICE OF FISCAL AND PROGRAM REVIEW
5 STATE HOUSE STATION
AUGUSTA, ME 04333-0005
(207) 287-1635
<http://legislature.maine.gov/ofpr>

*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..... 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 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

Legislature on the Special Appropriations Table by joint order, H.P. 1322.

LD 609 An Act To Provide Municipalities Additional Sales Tax Revenue from Lodging Sales CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TERRY M		

This bill provides an incremental sales tax of 1% for those sales currently subject to the 9% sales tax on lodging. The incremental revenue, after reduction for administrative costs, is returned to the municipality or unorganized territory to which the revenue is attributable. The amount received may not be used to reduce any other state aid or revenue sharing to municipalities or the unorganized territory.

See also LDs 65, 156, 1110 and 1254.

This bill was carried over to any special or regular session, or both of the 129th Legislature by joint order, H.P. 1322.

LD 625 An Act To Phase Out the Insurance Premium Tax on Annuities CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
STANLEY S DOW D	OTP-AM	H-32

This bill phases out the insurance premium tax on annuity considerations over four years beginning in 2020. During the phase-out period, the prescribed rate applies only if the insurer credits the savings from the rate reductions to annuity holders. The bill also specifies that certain deductions related to annuities may be deducted from annuity considerations for tax periods beginning on or after January 1, 2020.

Committee Amendment "A" (H-32)

This amendment changes the phase-out of the insurance premium tax on annuity considerations from four years to nine years and provides that during the phase-out period the retaliatory tax on non-Maine insurance companies does not apply. The amendment also adds an appropriations and allocations section.

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.

LD 645 RESOLUTION, Proposing an Amendment to the Constitution of Maine To Cap the Property Tax on the Primary Residence of Certain Residents Who Are 65 Years of Age or Older ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CRAVEN M	ONTP	

This resolution proposes to amend the Constitution of Maine to authorize the Legislature to require municipalities to cap property taxes on property owned and occupied as a person's primary residence if that person is at least 65 years of age and the household income for the residents of the property does not exceed 400% of the federal poverty level. The tax would be stabilized at the amount assessed on the property on the later of the date by which the

Joint Standing Committee on Taxation

person attained 65 years of age or purchased the property. Upon transfer of the property to someone other than a family member of the owner, the property would assume the just value at the time of transfer. The State would be required to reimburse a municipality for any revenue lost due to the cap on property taxes.

See also LD 812.

LD 660 An Act To Exempt Sales to Parent-Teacher Organizations from the Sales Tax CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MASTRACCIO A	OTP-AM	H-183

This bill provides a sales tax exemption to a parent-teacher organization organized as a public benefit corporation.

Committee Amendment "A" (H-183)

The amendment adds an appropriations and allocations section.

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.

LD 669 An Act To Provide Housing Relief for Maine Families and Seniors ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MORALES V	ONTP	

This bill replaces the property tax fairness credit with a refundable housing relief credit for tax years beginning on or after January 1, 2020.

Resident individuals are eligible for the housing relief credit if their income is equal to or less than the area median income identified by the federal Department of Housing and Urban Development. The credit is equal to the amount by which a resident individual's housing cost exceeds 25% of the individual's income. Housing cost includes payments made for the purpose of maintaining a homestead, including property tax payments, property insurance payments, mortgage payments, rent payments and payments for heat, electricity, water and sewer, including well and septic maintenance. The maximum credit is \$3,000 for resident individuals under 70 years of age as of the last day of the taxable year or \$4,000 for resident individuals 70 years of age and older as of the last day of the taxable year.

See also LDs 393, 887, 957 and 1158.

LD 682 An Act To Provide Seniors and Certain Persons with Disabilities Assistance with Property Taxes through the Deferral of Those Taxes CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BAILEY D	OTP-AM	H-443

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