

MAINE STATE LEGISLATURE

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STATE OF MAINE
129TH 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

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

**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 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 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 older or who is unable to continue employment due to disability and to surviving spouses who are at least 60 years of age or who are unable to continue employment due to disability and provides that income must be less than \$40,000. This income limit is indexed for inflation in 2021 and annually thereafter. The bill also changes the rate of accrual of interest on deferred property taxes from 6% to the prime rate published in the Wall Street Journal rounded up to the next whole percent minus one percentage point. The bill adds a maximum liquid asset standard for eligibility of property owners and provides that property may not be subject to deferral under both the state deferral program and a municipal deferral program.

Committee Amendment "A" (H-443)

This amendment makes changes to clarify provisions of the State's property tax deferral program and to facilitate the administration of the deferral of property taxes for seniors and certain persons with disabilities, including expanding the authority of guardians to include an agent under a power of attorney or pursuant to a protective arrangement or any other lawful order. The amendment adds an appropriations and allocations section.

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 709 An Act To Exempt Certain Meals Provided to Food Service Employees
from the Sales and Use Tax**

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BERRY S VITELLIE	OTP-AM	H-328

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 exempts from sales and use tax meals, up to a maximum cost to the employer of \$6 per day, provided to an employee of an eating establishment while that employee is working. It provides that, beginning in 2020, the amount of the exemption must be adjusted for inflation.

Committee Amendment "A" (H-328)

This amendment provides that the tax exemption applies to meals that are provided at no cost to an employee who is actually working as a food service employee and that the exempted meals do not include alcoholic beverages. The amendment also removes the maximum meal cost limitation and inflation indexing provisions and allocates the exemption to a more appropriate subsection.

Joint Standing Committee on Taxation

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 726 An Act To Make Sales to Area Agencies on Aging Tax-exempt

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MCCREAD JACKSONT	OTP-AM	H-56

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 provides an exemption from the sales and use tax to area agencies on aging, as designated by the Department of Health and Human Services, and public and private nonprofit agencies that are operating under grants provided by the department, that provide social services in order to secure and maintain maximum independence and dignity in a home environment for older people capable of self-care with appropriate supportive services.

Committee Amendment "A" (H-56)

This amendment adds an exemption from the service provider tax for sales of taxable services to agencies that the bill makes eligible for a sales tax exemption.

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 731 An Act To Amend the Maine Tax Laws

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TIPPING R	ONTP	

This bill was carried over in committee from the First Regular Session of the 129th Legislature by joint order, H.P. 1322.

This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to amend the Maine tax laws.

LD 732 An Act To Provide a Sales Tax Exemption for Nonprofit Career and Technical Student Organizations

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TIPPING R LUCHINIL	OTP-AM	H-391

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.