

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
129<sup>TH</sup> 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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# STATE OF MAINE

129<sup>TH</sup> LEGISLATURE  
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## 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 751      An Act To Reinstate the State Property Tax Deferral Program for      ONTP**  
**Maine's Senior Homeowners**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SKOLFIELD T DAVIS P	ONTP	

This bill reinstates the State's elderly property tax deferral program, which until April 1, 1991 provided a mechanism allowing qualifying senior homeowners to defer property tax payments and required the State to pay the property taxes on behalf of the homeowners. This bill modifies the program's eligibility standards by increasing the household income threshold from less than \$32,000 to less than \$40,000 and adding a liquid asset limit. The bill makes the existing abatement and appeal processes available in cases in which the State Tax Assessor disagrees with the municipal assessment of a property eligible for enrollment in the program.

See also LDs 529, 682, 1145 and 1242.

**LD 811      An Act To Provide Additional Flexibility in the Municipal Property Tax      PUBLIC 159**  
**Assistance Programs for Seniors**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HAMPER J	OTP	

This bill amends the law regarding municipal property tax assistance programs to provide more flexibility to municipalities that choose to implement a program by allowing the municipality to establish:

1. A minimum age for eligibility, as long as that age is at least 62 years; and
2. A minimum length of time that the claimant has maintained a homestead in the municipality.

A municipality may impose other eligibility standards and procedures, as long as they are established by ordinance.

**Enacted Law Summary**

Public Law 2019, chapter 159 amends the law regarding municipal property tax assistance programs to provide more flexibility to municipalities that choose to implement a program by allowing the municipality to establish:

1. A minimum age for eligibility, as long as that age is at least 62 years; and
2. A minimum length of time that the claimant has maintained a homestead in the municipality.

A municipality may impose other eligibility standards and procedures, as long as they are established by ordinance.

**LD 812      An Act To Stabilize Property Taxes on Homesteads of Individuals Who      ONTP**  
**Are 66 Years of Age or Older**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CHENETTE J BAILEY D	ONTP	

## *Joint Standing Committee on Taxation*

This bill permits a municipality to maintain the property tax on the homestead of a permanent resident who is at least 66 years of age or older at the amount billed in the year prior to an application for stabilization. The amount by which the tax assessed exceeds the stabilized amount must be paid to the municipality by the State. An applicant for stabilization must be a permanent resident of the State and must have received a property tax fairness credit for the income tax year preceding application for stabilization. An application for stabilization must be made each year to continue eligibility.

See also LD 645.

**LD 824      An Act To Allow a Municipality To Opt Out of Collecting Personal Property and Business Equipment Taxes      ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
THERIAULT T POULIOT M	ONTP	

This bill allows a municipality, by referendum, to exempt all personal property, including business equipment, located in that municipality from assessment and collection of tax by that municipality.

See also LD 146.

**LD 837      An Act To Increase the Homestead Property Tax Exemption for Certain Persons Who Are at Least 75 Years of Age      ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MASTRACCIO A WOODSOME D	ONTP	

This bill provides an additional \$30,000 homestead property tax exemption, for a total exemption of \$50,000, for persons who are 75 years of age or older and claimed the homestead as a permanent residence for 10 or more years. The bill requires the State to reimburse municipalities 100% of the revenue lost as a result of the increased exemption for persons 75 years of age or older.

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

See also LDs 35, 77, 164, 1172, 1234 and 1448.

**LD 839      An Act To Increase Funding for Multimodal Transportation      Veto Sustained**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CLOUTIER K CHIPMAN B	OTP-AM ONTP	H-329

This bill increases the sales tax on short-term rentals of automobiles, small trucks and vans from 10% to 15% to provide funding for multimodal transportation. The increase takes effect October 1, 2019.

**Committee Amendment "A" (H-329)**

This amendment reduces from 15% to 12% the increased rate of the sales tax on short-term rental of automobiles,