

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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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

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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 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

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,

Joint Standing Committee on Taxation

small trucks and vans and adds an appropriations and allocations section.

LD 854 An Act To Improve Tax Incentives for Broadband Service

PUBLIC 260

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
ACKLEY K BELLOWS S	OTP-AM	H-385

This bill expands the allowable use of tax increment financing to include development, expansion or improvement of broadband services, including connecting to broadband service outside the tax increment financing district.

Committee Amendment "A" (H-385)

This amendment clarifies the circumstances under which tax increment financing project costs may include broadband and fiber optics expansion projects that serve residential or other nonbusiness or noncommercial areas within a municipality or plantation.

See also LD 1123.

Enacted Law Summary

Public Law 2019, chapter 260, expands the allowable use of tax increment financing to include development, expansion or improvement of broadband services, including connecting to broadband service outside the tax increment financing district and clarifies the circumstances under which tax increment financing project costs may include broadband and fiber optics expansion projects that serve residential or other nonbusiness or noncommercial areas within a municipality or plantation.

LD 863 An Act To Exempt Diapering Products from Sales Tax

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TEPLER D VITELLI E	OTP-AM ONTP	H-212

This bill provides a sales tax exemption for disposable and reusable diapers for children, including diaper covers, wraps and diaper pins that are used with reusable diapers.

Committee Amendment "A" (H-212)

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

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 873 An Act To Clarify the Application of the Motor Vehicle Excise Tax to Water Well Drilling Equipment

PUBLIC 430

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GRIGNON C DAVIS P	OTP-AM	H-442