

# 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

See also LD 465.

### Enacted Law Summary

Resolve 2019, chapter 81, directs the Department of Health and Human Services in partnership with the Department of Administrative and Financial Services and other state agencies that the departments determine should be included to examine the service provider tax and alternatives to the tax and submit a report on their findings to the Joint Standing Committee on Taxation by March 1, 2020. The committee is authorized to submit a bill to the Second Regular Session of the 129th Legislature.

**LD 903      An Act To Improve Corporate Tax Fairness by Amending the Rates Imposed on Corporate Income      CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CUDDY S CHIPMAN B		

This bill establishes two new tax brackets and three new rates for corporate income tax purposes for tax years beginning on or after January 1, 2020. Under the bill, corporate income between \$2,000,000 and \$3,000,000 is taxed at the rate of 8.5% and corporate income between \$3,000,000 and \$3,500,000 is taxed at the rate of 8.75%; such income is taxed under current law at the rate of 8.33%. The top tax rate, which is imposed on corporate income over \$3,500,000, is increased from 8.93% to 9%.

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

**LD 905      An Act To Exempt Long-term Capital Gains from Income Tax for Certain Income Levels      Accepted Report B (ONTP)**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DAUGHTRY M	OTP-AM ONTP	

This bill exempts from Maine income tax net capital gains on the sale of securities held for 10 years or longer and that are subject to federal income tax for individuals with federal adjusted gross income of \$300,000 or less if filing married joint returns and \$150,000 or less for all other individuals.

### Committee Amendment "A" (H-211)

This amendment, which was one of two reports, each supported by six members of the committee, provides an income tax deduction for certain long-term capital gains related to securities held for at least 10 years after October 1, 2019 that were not acquired by gift or inheritance if at least one of the taxpayers filing the tax return is 62 years of age or older and the federal adjusted gross income of the individuals filing the return is \$150,000 or less for individuals filing married joint returns and \$75,000 or less for all other returns.

This amendment was not adopted.