

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

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>

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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

See also LDs 163 and 1194.

This bill was carried over on the Special Appropriations Table to any special session of the 129th Legislature by joint order, S.P. 788.

LD 1076 An Act To Account for Market Change in the Adult Use Marijuana Excise Tax ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BERRY S	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 changes the excise tax on adult use marijuana cultivation facilities from a tax based on quantity to a tax based on a percentage of the average market price for the category of marijuana sold. The bill requires the average market price to be determined quarterly by the Department of Administrative and Financial Services. The tax would not apply to sales by a cultivation facility to a licensee with which it is vertically integrated.

LD 1150 An Act To Amend the Maine Tree Growth Tax Law To Encourage Public Access CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MARTIN J JACKSON T	ONTP OTP-AM	

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

This bill excludes from benefits under the Maine Tree Growth Tax Law a parcel of land to which public access for recreational use is limited or prohibited.

Committee Amendment "A" (H-749)

This amendment is the minority report of the committee. The amendment limits the application of the public access requirement in the bill to parcels of land larger than 50,000 acres.

This bill was carried over in the House to any special session of the 129th Legislature by joint order, S.P. 788, pending acceptance of the ONTP report.

LD 1156 An Act To Create the Savings Account Program for Small Businesses ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
STEWART T JACKSON T	ONTP	

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

Joint Standing Committee on Taxation

This bill establishes the Savings Account Program for Small Businesses in the Finance Authority of Maine to certify corporations eligible to claim a tax credit for contributions made to qualifying savings accounts. The bill creates the tax credit and establishes that withdrawals from the savings accounts are taxable income.

LD 1158 An Act To Provide Property Tax Relief

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TALBOT ROSS R SANBORN H	OTP-AM	H-382

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 amends the property tax fairness credit under the income tax laws for tax years beginning on or after January 1, 2020, by changing the formula for calculation of benefits to reflect the calculation that applied under the Maine Residents Property Tax Program, referred to as "the circuitbreaker program," which was in effect prior to enactment of the property tax fairness credit.

Committee Amendment "A" (H-382)

This amendment changes "calendar year" to "tax year" in the definition of "household income" and clarifies that the income factor for the calculation proposed in the bill of the property tax fairness credit is household income. This amendment also adds an appropriations and allocations section.

Part H of the biennial budget bill, Public Law 2019, chapter 343, changes the formula for calculation of the property tax fairness credit to residents whose property taxes or rent constituting property taxes on homestead property exceeds 5%, rather than 6% in current law of the resident's income tax for tax years beginning on or after January 1, 2020.

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 1163 An Act Regarding Energy, Utilities and Technology

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LAWRENCE M	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 laws regarding energy, utilities and technology. This bill was referred to the Taxation Committee by the Joint Standing Committee on Energy, Utilities and Technology during the First Regular Session with a recommended draft of an income tax credit for investments in qualified high-speed internet projects.