

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)

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

MEMBERS:

SEN. BEN CHIPMAN, CHAIR
SEN. HEATHER SANBORN
SEN. MATTHEW POULIOT

REP. RYAN TIPPING, CHAIR
REP. STEPHEN S. STANLEY
REP. MAUREEN FITZGERALD TERRY
REP. KRISTEN SARA CLOUTIER
REP. DIANE M. DENK
REP. ANN HIGGINS MATLACK
REP. DONALD G. MAREAN
REP. BRUCK A. BICKFORD
REP. HAROLD TREY STEWART*
REP. THEODORE JOSEPH KRYZAK, JR.
REP. PHILIP CURTIS*

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

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

organizations, do not qualify for the credit.

3. The credit may not reduce the tax due to less than zero.
4. The credit for qualified individuals is the lesser of the amount paid on eligible education loans during the taxable year and 15% of the outstanding eligible education loan debt on the date the first education loan payment is made after a degree is earned.
5. The credit for employers is the lesser of the amount paid by an employer on behalf of a qualified employee during the taxable year during the term of employment and 20% of the outstanding eligible education loan debt on the date the first education loan payment is made after December 31, 2019.
6. The credit is available to the spouse of an individual eligible for a credit even if the spouse is not employed.
7. Income tax deductions are provided for student loan payments made directly to a lender by an employer on behalf of a qualified employee and payments made directly to a lender on behalf of a taxpayer by a student loan repayment program funded by a nonprofit foundation and administered by the Finance Authority of Maine for residents of the State employed by a business located in the State.
8. The annual credit may include loan amounts paid in excess of the amount due during a taxable year. The amendment also provides that credits in excess of those that may be used during a taxable year may be carried over for the next succeeding five years.

Committee Amendment "A" (S-229)

This amendment removes the requirement that a taxpayer's degree was received after 2007 to receive a credit for student loan repayment and provides that taxpayers who were eligible for a refundable credit under the credit for educational opportunity may continue to receive a refundable credit for tax years beginning before January 1, 2022. The amendment also increases from \$50,000 per year to \$75,000 per year the funds provided to market the Job Creation Through Educational Opportunity Program.

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 1172	An Act To Provide Direct Property Tax Relief to Homeowners by Increasing the Homestead Exemption	ONTP
----------------	---	-------------

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LIBBY N GIDEON S	ONTP	

This bill increases the total exemption amount under the Maine resident homestead property tax exemption program from the current \$20,000 to \$30,000 for the property tax year beginning April 1, 2020 and to \$40,000 for property tax years beginning on or after April 1, 2021. This bill also increases the reimbursement rate by the State for the revenue lost by a municipality due to the exemption from 62.5% to 75%, beginning with the 2020-2021 property tax year.

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, 837, 1234 and 1448.