

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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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

LD 1191 An Act To Exempt Solar Energy Equipment from Property Tax

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LAWRENCE M	ONTP	

This bill provides a property tax exemption for solar energy equipment installed on residential property on or after September 1, 2019 to generate electricity or provide hot water to be used in a structure.

See also LDs 564, 922 and 1430.

LD 1194 An Act To Increase Property Tax Relief for Veterans

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
JACKSON T NADEAU C	OTP-AM	S-136

This bill increases the property tax exemption beginning on or after April 1, 2020 from \$6,000 to \$10,000 of the just value of a home of a veteran who served in the Armed Forces of the United States during specified periods or who is receiving compensation from the United States Government for total, service-connected disability.

Committee Amendment "A" (S-136)

This amendment increases to \$10,000 the property tax exemption for all categories of eligible veterans other than those receiving a \$50,000 exemption for specially adapted housing units and who are paraplegic veterans. It also expands the dates of federally recognized war periods to include February 1, 1955 to February 27, 1961. State reimbursement is provided for 100% of the property tax revenue loss to municipalities as a result of the increase and expansion of exemptions. The amendment also adds an appropriations and allocations section.

See also LDs 163, 1042, 1271 and 1326.

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 1200 An Act To Amend the Maine Seed Capital Tax Credit Program

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
POULIOT M GIDEON S	OTP-AM	S-169

This bill amends the Maine Seed Capital Tax Credit Program by:

1. Reducing from 50% to 40% the maximum credit available to individual investors and private venture capital funds for investments made after April 1, 2019;
2. Requiring that eligible exporting businesses retain in Maine a majority of their employees;
3. Reducing from \$5,000,000 to \$3,500,000 the total aggregate investment eligible for tax credits for any one

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business;

4. Limiting to \$2,000,000 the total aggregate investment eligible for any one business in any calendar year; and
5. Increasing from \$5,000,000 to \$15,000,000 the overall annual limit on total authorized credits.

Committee Amendment "A" (S-169)

This amendment restricts the increase in the overall annual limit on total authorized credits to calendar years 2019 to 2025, removes the requirement that a majority of an eligible business's employment associated with the creation and sale of a product or a provision of services be within the State and provides a structure for the required reporting of data to facilitate an evaluation of the effectiveness of the credit by the Office of Program Evaluation and Government Accountability.

See also LD 483.

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 1234	An Act To Expand the Value of the Homestead Exemption to \$25,000 and State Reimbursement to 70 Percent of Lost Property Tax Revenue	CARRIED OVER
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<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
AUSTIN B LIBBY N	OTP-AM OTP-AM	H-482

This bill increases for property tax years beginning April 1, 2020 the value of the homestead exemption benefit under the Maine resident homestead property tax exemption from \$20,000 to \$25,000 and increases the state reimbursement for the lost property tax revenue from 62.5% to 100%. The bill also provides that the property tax assessed on a homestead eligible for the homestead exemption may not be less than \$100.

Committee Amendment "A" (H-482)

This amendment, which is the majority report of the committee, changes to 70% the percentage of state reimbursement of lost property tax revenue due to the increase in the homestead exemption in the bill. It also removes from the bill the provision that the tax assessed on a homestead eligible for the homestead exemption may not be less than \$100. The amendment also adds an appropriations and allocations section.

Committee Amendment "B" (H-483)

This amendment, which is the minority report of the committee, removes from the bill the increase in the value of the homestead exemption and the provision that the tax assessed on a homestead eligible for the homestead exemption may not be less than \$100. The amendment also adds an appropriations and allocations section.

This amendment was not adopted.

See also LDs 35, 77, 164, 837, 1172 and 1448.

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%.

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.