

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
129<sup>TH</sup> 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

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# STATE OF MAINE

129<sup>TH</sup> 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 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*

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 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 NADEAUC	OTP-AM	S-136

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 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 LD 163 and 1024.

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 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 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 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 business;
4. Limiting to \$2,000,000 the total aggregate investment eligible for any one business in any calendar year; and

## *Joint Standing Committee on Taxation*

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.

The contents of this bill, as amended by Committee Amendment "A" were enacted in the supplemental budget, Public Law 2019, chapter 616, Part LL. See summary of LD 2126 summarized by the Joint Standing Committee on Appropriations and Financial Affairs.

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 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**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
AUSTIN B	OTP-AM	H-482
LIBBY N	OTP-AM	

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 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 LD 164.

Part H of the biennial budget, Public Law 2019, chapter 343, increased the homestead exemption from \$20,000 to \$25,000 and state reimbursement to municipalities from 62.5% to 70%.

This bill was again carried over, still on the Special Appropriations Table, to any special session of the 129th