

# 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

**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

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*

Legislature by joint order, S.P. 788.

**LD 1238 An Act To Exempt Certain Print Publications from Sales Tax**

**CARRIED OVER**

| <u>Sponsor(s)</u>      | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|------------------------|-------------------------|---------------------------|
| HEPLER A<br>GRATWICK G | OTP-AM<br>ONTP          | H-330                     |

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 expands the sales tax exemption for free publications to also apply to printed publications, including daily newspapers, that are issued at least once every seven days, on average.

**Committee Amendment "A" (H-330)**

This amendment, which is the majority report of the committee, removes language from the bill that changes the definition of "publication" to retain the minimum average publication interval of three months, as found in the current law, required for a publication to qualify for the exemption.

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 1254 An Act To Authorize a Local Option Sales Tax on Meals and Lodging and Provide Funding To Treat Opioid Use Disorder**

**CARRIED OVER**

| <u>Sponsor(s)</u>        | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|--------------------------|-------------------------|---------------------------|
| SYLVESTER M<br>CHIPMAN B | OTP-AM<br>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 was recommitted to the Taxation Committee at the end of the First Regular Session.

This bill allows a municipality to impose a local option sales tax, which may be seasonal, on prepared food, not including marijuana or marijuana products, and short-term lodging of no more than 1% if approved by referendum of the voters in that municipality. Revenue from the local option sales tax is distributed 85% to the municipality and 15% to all other municipalities. The 15% distributed to a municipality must be used by that municipality for the purposes of preventing and treating opioid use disorder in that municipality. Revenue received by a municipality may not be used to reduce or eliminate funding otherwise due the municipality under other provisions of law.

**Committee Amendment "A" (H-536)**

This amendment, which was a committee report during the First Regular Session, provides that a municipality adopting a local option sales tax on meals and lodging is limited to a tax rate of 1% and provides that the tax must be assessed year-round. The amendment changes the distribution of local sales tax net revenue to 75% for the municipality imposing the tax and 25% to be distributed to the Maine Rural Development Authority. A local option sales tax may not take effect before July 1, 2021.

This amendment was reported out of committee but removed when the bill was recommitted at the end of the First Regular Session.

## *Joint Standing Committee on Taxation*

### **House Amendment "A" To Committee Amendment "A" (H-593)**

This amendment, which was adopted by the House during the First Regular Session, limits the local option sales tax to lodging. This amendment was removed when the bill was recommitted at the end of the First Regular Session.

### **Committee Amendment "B" (H-747)**

This amendment, which was the majority report of the committee during the Second Regular Session, changes the local option sales tax proposed in the bill by limiting it to lodging; limiting it to 1%; and requiring it to be imposed year-round. The amendment changes the distribution of local sales tax net revenue to 75% for the municipality imposing the tax and 25% to be distributed to the Maine Rural Development Authority. The amendment also provides that a local option sales tax may not take effect before July 1, 2021.

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

### **LD 1256 An Act To Provide a Health Care Preceptor Tax Credit**

**CARRIED OVER**

| <u>Sponsor(s)</u>  | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|--------------------|-------------------------|---------------------------|
| PERRY A<br>MOORE M | OTP-AM                  | H-331                     |

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 establishes a refundable tax credit in the amount of \$500 per student, up to a maximum of \$1,500 per year, for a health care preceptor who provides, without compensation, instruction to and supervision of advanced practice registered nursing students in an approved course of study. A health care preceptor may be a licensed physician, physician's assistant or advanced practice registered nurse.

### **Committee Amendment "A" (H-331)**

This amendment requires a health care preceptor to submit documentation of the activities necessary for the preceptor to qualify for an income tax credit and removes the provision making the credit refundable.

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 1322 An Act To Provide Equitable Tax Treatment to State-licensed Marijuana Businesses**

**CARRIED OVER**

| <u>Sponsor(s)</u>        | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|--------------------------|-------------------------|---------------------------|
| JORGENSEN E<br>CHIPMAN B | OTP-AM                  | H-334                     |

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 expands the list of licensed marijuana businesses that are eligible to take tax deductions otherwise allowed under the state income tax laws to include adult use marijuana establishments and testing facilities and medical