

# MAINE STATE LEGISLATURE

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

129<sup>TH</sup> LEGISLATURE  
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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 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.

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bill. The amendment also adds appropriations and allocations.

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.

<b>LD 1585</b>	<b>An Act To Allow the City of Augusta To Adjust the Definition of "Original Assessed Value" for the City of Augusta's Performance Food Group Municipal Tax Increment Financing District and To Validate the Assessment, Commitment and Collection of Property Taxes Dedicated for the District for the Fiscal Years 2018-19 and 2019-20</b>	<b>P &amp; S 7 EMERGENCY</b>
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<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
POULIOT M TIPPING R	OTP	

This bill authorizes the City of Augusta to adjust the definition of "original assessed value" for the City of Augusta's Performance Food Group municipal tax increment financing district and to validate the assessment, commitment and collection of property taxes dedicated for the Performance Food Group municipal tax increment financing district for the fiscal years 2018-19 and 2019-20.

### Enacted Law Summary

Private and Special Law 2019, chapter 7, authorizes the City of Augusta to adjust the definition of "original assessed value" for the City of Augusta's Performance Food Group municipal tax increment financing district and to validate the assessment, commitment and collection of property taxes dedicated for the Performance Food Group municipal tax increment financing district for the fiscal years 2018-19 and 2019-20.

Private and Special Law 2019, chapter 7 was enacted as an emergency measure effective May 30, 2019.

<b>LD 1586</b>	<b>An Act To Promote Major Food Processing and Manufacturing Facility Expansion and To Create Jobs in Maine</b>	<b>PUBLIC 386 EMERGENCY</b>
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<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
JACKSON T MARTIN J	OTP-AM	S-228

This bill, modeled on the tax credit for major business headquarters expansions, provides a tax credit to a food processing and manufacturing business that:

1. Is, and has been for the five years prior to application, a corporation or limited liability company organized under the laws of the State;
2. Has been headquartered in this State for the five years prior to application;
3. Pays at least 75% of its employees a salary that exceeds the income threshold for the county in which the facility that is the subject of the application is located;
4. Agrees to make an investment of at least \$35,000,000 in the construction or expansion in this State of a facility for that business; and
5. Adds a total of 40 new full-time employees by the end of the first year of qualifying for the tax credit, maintains that number for the next two years and then adds 20 more full-time employees, maintaining a total of 60 full-time

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employees for each year after the third year of qualifying for the tax credit. The employees added must be based in the State.

A business that qualifies is allowed a refundable tax credit equal to 2% of the amount of the qualified investment each tax year for 20 years. The total investment that may be approved for any one business may not exceed \$85,000,000 and the total aggregate investment that may be approved is limited to \$100,000,000. The maximum amount of tax credits that may be received by a business under one construction or expansion project is \$34,000,000.

### **Committee Amendment "A" (S-228)**

This amendment adds an emergency preamble and an emergency clause to the bill. The amendment also adds provisions that change the calculation of the credit, and that facilitate administration of the credit and the review of the credit by the Office of Program Evaluation and Government Accountability under the tax expenditure laws.

### **Enacted Law Summary**

Public Law 2019, chapter 386 provides an income tax credit to a food processing and manufacturing business that:

1. Has been headquartered in this State for the five years prior to application;
2. Pays at least 75% of its employees a salary that exceeds the most recent annual per capita personal income for the county in which the facility that is the subject of the application is located;
3. Agrees to make an investment of at least \$35,000,000 in the construction or expansion in this State of a facility for that business; and
4. Adds a total of 40 new full-time employees by the end of the first year of qualifying for the tax credit, maintains that number for the next two years and then adds 20 more full-time employees, maintaining a total of 60 full-time employees for each year after the third year of qualifying for the tax credit. The employees added must be based in the State.

A business that qualifies is allowed a refundable tax credit equal to 1.8% of the amount of the qualified investment each tax year for 20 years. The total investment that may be approved for any one business may not exceed \$85,000,000 and the total aggregate investment that may be approved is limited to \$100,000,000. The maximum amount of tax credits that may be received by a business under one construction or expansion project is \$34,000,000.

A certified applicant, the Commissioner of Economic and Community Development and the State Tax Assessor are required to submit annual reports regarding the credit, and the credit is subject to review by the Office of Program Evaluation and Government Accountability under the tax expenditure review laws.

Public Law 2019, chapter 386 was enacted as an emergency measure effective June 19, 2019.

**LD 1597     An Act To Provide a Sales Tax Exemption for Purchases Made by  
Nonprofit Youth Camps**

**HELD BY  
GOVERNOR**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SAMPSON H	OTP-AM ONTP	H-381

This bill provides a sales tax exemption for purchases made by nonprofit organizations that operate seasonal campgrounds in Maine.