

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

is allowed for the amount of pick-up contributions that were previously taxed by Maine, not just the amount of pick-up contributions taxed during the previous three years;

4. Clarifies that the increased credit rate applicable to certified qualified rehabilitation expenditures for a certified affordable housing project is increased by one percentage point each year the State Tax Assessor is notified by the Maine Historic Preservation Commission and the Maine State Housing Authority that the percentage of certified affordable housing projects is below 30% of the total aggregate square feet of projects eligible for the historic preservation credit. The increased credit rate may not exceed 35%. It further clarifies that the increased credit rate for certified affordable housing projects applies to tax years beginning in the year of notification and to any subsequent tax year;

5. Makes a typographical correction; and

6. Makes clarifying changes to an application clause.

LD 1819

An Act To Harmonize State Income Tax Law and the Centralized Partnership Audit Rules of the Federal Internal Revenue Code of 1986

PUBLIC 380

Sponsor(s)

TIPPING R

Committee Report

OTP-AM

Amendments Adopted

H-570

This bill harmonizes Maine law with recent changes in federal law with respect to partnership income tax audits wherein a partnership may be liable for federal income tax, penalties and interest that result from an audit of the partnership. This bill imposes a corresponding partnership state tax liability for increases in tax, penalties and interest that result from a federal audit of the partnership in order to ensure that state income tax revenue is not lost as a result of the federal changes. This bill applies to partnership-level audits of partnerships with respect to taxable years beginning on or after January 1, 2018.

Committee Amendment "A" (H-570)

This amendment incorporates a fiscal note.

Enacted Law Summary

Public Law 2019, chapter 380, harmonizes Maine law with recent changes in federal law with respect to partnership income tax audits wherein a partnership may be liable for federal income tax, penalties and interest that result from an audit of the partnership. This bill imposes a corresponding partnership state tax liability for increases in tax, penalties and interest that result from a federal audit of the partnership in order to ensure that state income tax revenue is not lost as a result of the federal changes. This bill applies to partnership-level audits of partnerships with respect to taxable years beginning on or after January 1, 2018.