

MAINE STATE LEGISLATURE

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STATE OF MAINE
129TH 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

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.

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Session. It became law without her signature at the beginning of the Second Regular Session.

The bill provides an exemption from the sales and use tax for sales made to a nonprofit community-based worldwide charitable organization that provides, using private funding, financial support to other nonprofit charitable organizations at the community level.

Committee Amendment "A" (H-599)

This amendment adds an appropriations and allocations section.

Enacted Law Summary

Public Law 2019, chapter 552 provides an exemption from the sales and use tax for sales made to a nonprofit community-based worldwide charitable organization that provides, using private funding, financial support to other nonprofit charitable organizations at the community level.

LD 1898 **An Act Regarding Property Taxes on Certain Energy Generation Projects** **ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|------------------------|-------------------------|---------------------------|
| SANBORN H DOUDERA V | ONTP | |

This bill provides that, for property tax purposes, the State Tax Assessor determines the valuation of the property of an energy generation project that is located partially in the unorganized territory and partially in organized areas and apportions to the organized areas the portion of the project valuation located in each organized area. The valuation of an energy generation asset determined by the State Tax Assessor may not be considered captured assessed value for tax increment financing purposes, and an appeal of a valuation may be made to the State Board of Property Tax Review.

LD 1914 **An Act To Provide a Sales Tax Exemption for Textbooks** **CARRIED OVER**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-----------------------|-------------------------|---------------------------|
| MILLETT R FECTEAUR | | |

This bill exempts from the sales and use tax textbooks purchased for use by a student.

This bill, which had been voted by the committee but not yet reported out of committee, was carried over in committee to any special session of the 129th Legislature by joint order, S.P. 788.

LD 1919 **An Act To Provide a Tax Credit for Family Caregivers** **CARRIED OVER**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------------|-------------------------|---------------------------|
| CLOUTIER K POULIOT M | | |

This bill provides, beginning in 2021, a refundable income tax credit of up to \$2,000 to a taxpayer who personally provides at least 150 hours per year of personal care assistance services for the care and support of an eligible

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family member 18 years of age or older. The 150-hour annual threshold may be met by providing care to one or more eligible family members or, if the taxpayer is married filing a joint return, by combining the hours of both taxpayers providing care to one or more eligible family members. The credit is subject to reduction based on the income and length of Maine residency of the individual. An eligible family member must require assistance with at least one activity of daily living, as certified by a qualified licensed health care practitioner, and qualify as a dependent of, spouse of, registered domestic partner of, parent of or other relative by blood or marriage of the eligible family caregiver or a registered domestic partner of the eligible family caregiver.

This bill, which had been voted but not yet reported out of committee, was carried over in committee to any special session of the 129th Legislature by joint order, S.P. 788.

LD 1929 Resolve, Establishing the Commission To Study Fair, Equitable and Competitive Tax Policy for Maine's Working Families and Small Businesses **CARRIED OVER**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|----------------------|-------------------------|---------------------------|
| FECTEAUR JACKSONT | OTP-AM ONTP | H-696 |

This resolve establishes the Commission To Study Fair, Equitable and Competitive Tax Policy for Maine's Working Families and Small Businesses and directs the commission, no later than November 4, 2020, to submit a report, including suggested legislation, for presentation to the First Regular Session of the 130th Legislature. The commission is directed to study issues related to taxation of working families and small businesses and recommend legislation to ensure that tax policy is fair, equitable and competitive and adequately funds important government services. The commission is also directed to evaluate the direct impact of its proposed tax changes on after-tax income by income decile. Maine Revenue Services is directed to provide requested nonconfidential data.

Committee Amendment "A" (H-696)

This amendment adds three additional members to the commission, one representing a statewide organization that represents the interests of municipalities, one representing a statewide organization of farming interests and one tax policy expert. The amendment also adds additional language specifying the duties of the commission.

This resolve, as amended by Committee Amendment "A," was carried over on the Special Study Table to any special session of the 129th Legislature by joint order, S.P. 788.

LD 1958 An Act To Expand Tax Increment Financing To Include Adult Care Facilities and Services and Certain Child Care Facilities **PUBLIC 604**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|---------------------|-------------------------|---------------------------|
| MEYER M CLAXTONN | OTP-AM | H-695 |

This bill expands the permitted use of tax increment financing to include costs associated with certain adult care facilities and child care facilities and clarifies that allowable costs include promotion of workforce development and retention.

Committee Amendment "A" (H-695)

This amendment clarifies the definitions of "adult care facilities" and "child care facilities" as they pertain to project costs for purposes of tax increment financing.