

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

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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.

Joint Standing Committee on Taxation

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.

Joint Standing Committee on Taxation

Enacted Law Summary

Public Law 2019, chapter 604 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.

LD 1980 An Act To Create Incentives for Employers To Allow Employees to Work Remotely in Rural Maine CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CHIPMAN B TIPPING R		

This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to create a tax credit for businesses that create positions that allow their employees to work remotely from their homes or somewhere else outside of their office or place of employment. The credit is directly connected to the number of remote positions created and filled. If a business eliminates a remote position, it would lose the tax credit corresponding to that position.

This bill, which had been voted (ONTP) 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 1993 An Act To Clarify the Law Relating to Corporate Income Tax Nexus and the Shipment of Spirits into the State CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SANBORN H CROCKETTE	OTP-AM	S-437

This bill exempts from the corporate income tax a manufacturer of alcoholic spirits located outside of this State whose only nexus with the State is the storage of that manufacturer's spirits in a warehouse operated or approved for operation by the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations.

Committee Amendment "A" (S-437)

This amendment incorporates a fiscal note.

This bill was carried over on the Special Appropriations Table to any special session of the 129th Legislature by joint order, S.P. 788.

LD 2008 An Act Making Technical Changes to the Maine Tax Laws PUBLIC 607

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TIPPING R	OTP-AM	H-693