

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
130<sup>TH</sup> LEGISLATURE  
FIRST REGULAR AND FIRST SPECIAL SESSIONS



Disposition of bills and summaries of all laws enacted or finally passed

**JOINT STANDING COMMITTEE ON  
TAXATION**

December 2021

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## JOINT STANDING COMMITTEE ON TAXATION

### **LD 86 An Act To Make Area Agencies on Aging Tax-exempt**

#### **ENACTED LAW SUMMARY**

Public Law 2021, chapter 399 provides a sales and use tax exemption for sales to area agencies on aging designated by the Department of Health and Human Services and to public and nonprofit agencies operating under grants from the Department of Health and Human Services in order to secure and maintain maximum independence and dignity in a home environment for older people capable of self-care with supportive services.

### **LD 141 An Act To Make Technical Changes to the Tax Laws**

#### **ENACTED LAW SUMMARY**

Public Law 2021, chapter 253 makes technical changes to the tax laws.

Part A makes the following changes to the income tax laws, it:

1. Authorizes the Department of Administrative and Financial Services, Maine Revenue Services to disclose information to the Finance Authority of Maine necessary for the administration of the seed capital investment tax credit in the Maine Revised Statutes, Title 36, section 5216-B. The authority is responsible for certifying investments that are eligible for the credit;
2. Amends Title 36, section 5164, subsection 2, a provision of the Maine fiduciary income tax law, to incorporate gender-neutral terms, delete a duplicate word and make other technical textual changes;
3. Repeals the additional tax on lump-sum retirement plan distributions, which does not apply to tax years beginning after 2012;
4. Repeals the additional tax on early distributions from qualified retirement plans, which does not apply to tax years beginning after 2012;
5. Clarifies that, for both the tax imposed on insurance companies pursuant to Title 36, chapter 357 and on persons pursuant to Title 36, Part 8, for purposes of the employer credit for family and medical leave, "employees based in the State" means employees that perform more than 50% of employee-related activities for the employer at a location in Maine. This change reflects administrative practice since implementation of the credit;
6. Clarifies that a nonresident estate or trust that does not have Maine taxable income or a Maine income tax liability must nonetheless file a Maine income tax return if the estate or trust has distributable net income derived from or connected with sources in Maine and gross income of \$10,000 or more. This change reflects long-standing administrative practice; and
7. Amends Title 36, sections 5221 and 5228 to incorporate gender-neutral terms.

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Part B makes the following changes to the sales tax and hospital tax laws, it:

1. Amends the diabetic supplies exemption to require use by the purchaser;
2. Includes in Title 36 the effective date of three sales tax exemptions enacted in the First Regular Session of the 129th Legislature that did not take effect until after the adjournment of the Second Regular Session of the 129th Legislature and repeals conflicting public law provisions;
3. Clarifies the exemption for nonprofit worldwide charitable organizations; and
4. Removes the Mayo Regional Hospital in Dover-Foxcroft from the hospital tax definition of "municipally funded hospital."

Part C makes the following changes to the property tax laws, it:

1. Clarifies that the local assessor qualifying examination and individual examination results are confidential and thus not producible under a Freedom of Access Act request;
2. Clarifies that enhanced business equipment tax exemption reimbursement only applies to tax increment financing exempt business equipment when the reimbursement is used to fund a tax increment financing development program; and
3. Makes taxpayer identification numbers included on the commercial forestry excise tax return confidential and not public records for purposes of the Freedom on Access Act.

Part D makes the following changes to administration of the tax laws, it:

1. Updates Title 36, section 173, concerning collection by warrant, to clarify the intent and make technical changes; and
2. Repeals a provision that required the joint standing committee of the Legislature having jurisdiction over taxation matters to report out a bill permanently eliminating corporate tax expenditures totaling \$6,000,000 per biennium by February 6, 2016.

### **LD 146 Resolve, Authorizing the State Tax Assessor To Convey the Interest of the State in Certain Real Estate in the Unorganized Territory**

#### **ENACTED LAW SUMMARY**

Resolve 2021, chapter 8 authorizes the State Tax Assessor to convey the interest of the State in several parcels of real estate in the Unorganized Territory that were acquired by the State through foreclosure due to nonpayment of property taxes.