

MAINE STATE LEGISLATURE

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STATE OF MAINE
131ST LEGISLATURE
FIRST REGULAR AND FIRST SPECIAL SESSIONS



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

JOINT STANDING COMMITTEE ON TAXATION

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STATE OF MAINE
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**LEGISLATIVE DIGEST OF BILLS AND
SUMMARIES OF ENACTED LAWS**

This *Legislative Digest of Bills and Summaries of Enacted Laws* provides the disposition of all LDs and summaries of all laws enacted or finally passed during the First Regular and First Special Sessions of the 131st Maine Legislature. Please note that all LDs and proposed amendments may be found through the Legislature’s webpage, and each includes a summary of what the bill or amendment proposed.

The *Legislative Digest of Bills and Summaries of Enacted Laws* is arranged alphabetically by committee. Within each committee section is a subject index of all LDs considered by that committee as well as a digest of the LDs, arranged by LD number. Also included are enacted law summaries of the LDs enacted or finally passed. Brief analyst notes on certain LDs are also included: a committee digest will indicate if additional notes are provided for an LD. These notes add information staff found useful and may provide useful information to users of this *Digest*; please note that most LDs do not have a note and lack of a note should not be interpreted as having any significance. A separate section of the *Digest* provides a digest of the relatively few LDs that were not referred to a committee or reported from a committee as a committee bill; enacted law summaries of the LDs enacted or finally passed are provided. Finally, an appendix provides a summary of relevant session statistics.

The final disposition of each LD is noted in the relevant summary digest and index. 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 and First Special Sessions of the 131st Legislature is Thursday, June 29, 2023 and Wednesday, October 25, 2023, respectively. 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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6. It establishes a procedure for review by the joint standing committee of the Legislature having jurisdiction over taxation matters of legislation under consideration by another joint standing committee that would enact a full review tax expenditure. The review is for the purposes of identifying and recommending provisions to facilitate tax expenditure review.
7. It establishes a process for the joint standing committee of the Legislature having jurisdiction over taxation matters to request 2 limited analysis projects per year to be completed by the Office of Program Evaluation and Government Accountability for the purpose of assisting consideration of legislation before the committee.
8. It directs the Office of Program Evaluation and Government Accountability and the Office of Fiscal and Program Review to assess and report to the Legislative Council regarding the need for additional staff to perform the additional functions contained in the law.

LD 1063 An Act to Provide Equitable Tax Treatment to State-licensed Cannabis Businesses

ENACTED LAW SUMMARY

Public Law 2023, chapter 444 provides an income tax deduction for expenses related to carrying on a business as a cannabis establishment or a testing facility and compensates for the loss of tax revenue by requiring a transfer to the General Fund from the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund.

LD 1182 An Act to Make Revisions to the Tax Increment Financing and Development District Laws

ENACTED LAW SUMMARY

Public Law 2023, chapter 377 amends the laws governing tax increment financing by removing the requirement that the Department of Agriculture, Conservation and Forestry and the Department of Transportation review proposals for the designation of downtown tax increment financing districts. The law also clarifies the approval condition related to a property being suitable for commercial or arts district uses.

LD 1308 An Act to Establish Municipal Cost Components for Unorganized Territory Services to Be Rendered in Fiscal Year 2023-24

ENACTED LAW SUMMARY

Public Law 2023, chapter 150 establishes municipal cost components for state and county services provided to the unorganized territory that would normally be paid for by a municipality. The municipal cost components establish the property tax for the unorganized territory.

JOINT STANDING COMMITTEE ON TAXATION

Public Law 2023, chapter 150 was enacted as an emergency measure effective June 12, 2023.

LD 1313 An Act to Amend the Tax Credit for Major Business Headquarters Expansions Regarding Employees' Location and Time of Hire for Purposes of the Credit

ENACTED LAW SUMMARY

Public Law 2023, chapter 157 amends the credit for major business headquarters expansions to allow employees of the applicant working anywhere in the State, not just at the applicant's headquarters, to be counted as employees of the applicant for purposes of the credit. The law also changes the time for determining the number of new employees added to January 1, 2018 or later; it is currently the first day of the first year for which the tax credit is claimed. The changes provided in this law are retroactive to January 1, 2021.

LD 1644 An Act to Permit the Expenditure of Accumulated Tax Increment Revenues

ENACTED LAW SUMMARY

Public Law 2023, chapter 203 authorizes tax increment financing revenues to be used for certain identified purposes after the date a development district ends. Funds remaining in a “project cost account” may be used only to pay debt service on certain bonds and notes. Funds remaining in a “development sinking fund account” may be used only to pay approved project costs that are described in the development plan. Funds remaining after the expiration of time for authorized uses must be returned to the municipality or plantation general fund and corresponding tax shift adjustments must be made by Maine Revenue Services.

LD 1739 An Act to Extend Development District Tax Increment Financing Districts

ENACTED LAW

Public Law 2023, chapter 472 provides that for the 10 calendar years following the law’s effective date, a development district that is a tax increment financing district may be extended for an additional 20 years if the district uses at least 75% of the state tax increment revenue for affordable housing or transit-oriented development.

LD 1808 An Act to Amend the State Tax Laws

ENACTED LAW SUMMARY

Public Law 2023, chapter 441 makes minor substantive changes to the tax laws.

Part A of Public Law 2023, chapter 441 makes the following changes to the sales tax law.