

STATE OF MAINE
123RD LEGISLATURE
SECOND REGULAR AND FIRST SPECIAL SESSIONS



Summaries of bills, adopted amendments and laws enacted or finally passed
during the Second Regular or First Special Sessions of the 123rd Maine
Legislature coming from the

JOINT STANDING COMMITTEE ON TAXATION

May 2008

STAFF:

JULIE S. JONES, SENIOR ANALYST
ALEXANDRA AVORE, LEGISLATIVE ANALYST
OFFICE OF FISCAL AND PROGRAM REVIEW
5 STATE HOUSE STATION
AUGUSTA, ME 04333
(207)287-1635

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Joint Standing Committee on Taxation

LD 262 An Act To Amend the Credit for Rehabilitation of Historic Properties

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KOFFMAN MARTIN	OTP-AM MAJ ONTP MIN	

This bill changes the amount of historic rehabilitation tax credit a taxpayer may take if the taxpayer received a credit under the United States Internal Revenue Code from an amount equal to the credit the taxpayer received under the Code to an amount equal to 25% of the expenditures incurred after December 31, 1999 for a certified historic structure. This bill also allows a historic rehabilitation tax credit for a taxpayer who did not receive a credit under the United States Internal Revenue Code of 25% of expenditures if the taxpayer expended from \$50,000 to \$250,000 on a certified historic structure. This bill makes the credit fully refundable and authorizes the State Historic Preservation Officer to establish a schedule of fees for the historic rehabilitation tax credit program, the proceeds of which will go to administering the program.

An amended version of this bill was included in the supplemental budget bill, Public Law 2007, c. 539, Part WW. See also LD 2008.

**LD 276 RESOLUTION, Proposing an Amendment to the Constitution of Maine To
Require the Legislature To Freeze the Valuation of Maine Primary
Residence Land**

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PERRY J	ONTP	

This resolution is a Governor's bill that proposes a constitutional amendment to require the Legislature to provide for freezing the valuation of primary residence land. The resolution proposes payment of a penalty for certain transfers of the primary residence land equal to the difference in taxes for the five years preceding the transfer.

LD 349 Resolve, To Provide Funding for Small Wind Power Generators

RESOLVE 226

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BROWNE	OTP-AM MAJ ONTP MIN	S-689 ROTUNDO

This bill provides an income tax credit for a small wind power generator intended to provide electricity to a household or small business.

Senate Amendment "A" (S-689)

This amendment replaces the bill with a resolve and provides a one-time General Fund appropriation of \$40,000 in fiscal year 2008-09 for the Public Utilities Commission to authorize and fund a small wind power generator pilot project. It also provides a one-time transfer totaling \$40,000 from the Accident, Sickness and Health Insurance Internal Service Fund and the Retiree Health Insurance Internal Service Fund to the unappropriated surplus of the General Fund in fiscal year 2008-09.

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Enacted Law Summary

Resolve 2007, chapter 226 provides a one-time General Fund appropriation of \$40,000 in fiscal year 2008-09 for the Public Utilities Commission to authorize and fund a small wind power generator pilot project. It also provides a one-time transfer totaling \$40,000 from the Accident, Sickness and Health Insurance Internal Service Fund and the Retiree Health Insurance Internal Service Fund to the unappropriated surplus of the General Fund in fiscal year 2008-09.

LD 530 An Act To Encourage Open Space through Current Use Taxation of Open Space Land Set Aside for Long-term Protection from Development ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HILL	ONTP	

This bill permits an 85% reduction in property taxes for open space land set aside for long-term protection in a municipality where the voters have determined that there is a critical need for open space land. The withdrawal penalty for open space land set aside for long-term protection is the same as for withdrawal of farmland from classification which is the minimum constitutional penalty.

LD 531 An Act To Improve the Method of Taxing Natural Gas for Highway Use PUBLIC 650

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BLISS	OTP-AM	H-653

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

This bill proposes to change the method of taxing compressed natural gas used in vehicles so that the BTU value is more accurately reflected and accounted for in determining the tax.

Committee Amendment "A" (H-653)

This amendment changes the formulas for calculation of fuel tax rates on alternative fuels to reflect the energy content of the alternative fuel relative to the conventional petroleum fuels being displaced.

Enacted Law Summary

Public Law 2007, chapter 650 changes the formulas for calculation of fuel tax rates on alternative fuels to reflect the energy content of the alternative fuel relative to the conventional petroleum fuels being displaced.

LD 543 Resolve, To Direct a Review of Issues Concerning the Maine Tree Growth Tax Law RESOLVE 197

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SAVIELLO	OTP-AM	H-656 S-588 PERRY J

This resolve establishes the Maine Tree Growth Tax Law Review Committee to examine and make recommendations regarding a number of administrative issues related to the Maine Tree Growth Tax Law. The

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committee is required to submit a report of its findings and recommendations to the Joint Standing Committee on Taxation no later than December 15, 2007.

Committee Amendment "A" (H-656)

This amendment replaces the resolve and directs the Director of the Maine Forest Service within the Department of Conservation to convene a task force of interested parties to review specific issues related to the Maine Tree Growth Tax Law and make a report and recommendations based on the report to the First Regular Session of the 124th Legislature.

Senate Amendment "B" (S-588)

This amendment clarifies the scope of review requested regarding Maine Tree Growth Tax Law and limits to 7 the number of members of the task force invited by the Director of the Maine Forest Service within the Department of Conservation.

Enacted Law Summary

Resolve 2007, chapter 197 directs the Director of the Maine Forest Service within the Department of Conservation to convene a task force of interested parties to review specific issues related to the Maine Tree Growth Tax Law and make a report and recommendations based on the report to the First Regular Session of the 124th Legislature.

LD 737 An Act To Promote Forest Management Planning and Certification

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WATSON MARTIN	OTP-AM	H-634

This bill increases the tax credit for forest management planning from a maximum of \$200 every 10 years to a maximum of \$400 every 10 years. This bill also includes the cost of obtaining independent 3rd-party certification and recertification of the forest land from a licensed professional forester as an expense that may be applied towards the credit.

Committee Amendment "B" (H-634)

This amendment clarifies the expansion in the bill of the credit to the cost of 3rd-party certification and recertification and provides that the total amount of credits claimed by an individual in any 10-year period may not exceed \$400.

This bill was placed on the Special Appropriations Table and died on adjournment.

LD 788 An Act To Dedicate 20 Percent of the Sales Tax on Motor Vehicles to the Highway Fund

**ACCEPTED ONTP
REPORT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
THOMAS	OTP-AM MAJ ONTP MIN	

This bill dedicates 20% of the revenue collected from the sales tax imposed on motor vehicles to the General Highway Fund.

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LD 885 **An Act To Implement the Recommendations of the Commission To Study
the Costs of Providing Certain Services in the Unorganized Territories**

PUBLIC 541

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM MAJ OTP-AM MIN	H-730

This bill implements the recommendations of the Commission to Study the Cost of Providing Certain Services in the Unorganized Territories established by Resolve 2005, chapter 125.

Part A provides authority for county commissioners to impose service fees for certain types of services provided in the unorganized territory. Service fees must be based on the actual cost of providing the service, imposed only on persons actually receiving the service and imposed on all similarly situated persons receiving the service. Revenues must be used to reduce property taxes.

Part B changes the method of assessing areas under the jurisdiction of the Maine Land Use Regulation Commission for the cost of providing services. The unorganized territory will be assessed a fee equal to .014% of state valuation. Towns and plantations under the jurisdiction of the Maine Land Use Regulation Commission will be assessed a fee equal to .025% of state valuation, reflecting a higher amount of commission activities in those areas. The commission is required to report during the First Regular Session of the 124th Legislature regarding financial matters.

Part C provides that the Commissioner of Education may not provide or reimburse parents for providing transportation for students over roads that have not been accepted by the county as public roads or that do not meet Department of Transportation standards. Reimbursement to parents for transportation of a student will not be permitted beginning in fiscal year 2008-09.

Part D requires the State Controller to establish an Unorganized Territory Education and Services Fund that is in accordance with the standards of a governmental accounting standards board as they apply to financial statements.

Part E increases the fee paid to agents collecting motor vehicle and watercraft excise taxes in the unorganized territory from \$4 to \$6.

Part F makes technical changes to update language and statutory references and repeals an obsolete provision in the laws relating to the funding of services in the unorganized territory.

Committee Amendment "B" (H-730)

This amendment, which is the minority report of the committee, changes the formula for assessing the unorganized territory for services of the Maine Land Use Regulation Commission by reducing the percentage of state valuation to .013%, changes the increase in the assessment against towns and plantations to .015% and provides that a report on funding be submitted annually.

The amendment delays by one year the provisions relating to transportation and reimbursement of transportation of students.

The amendment adds a provision authorizing the county commissioners to enact an ordinance related to road construction, repair and maintenance on roads in the unorganized territory in which the county has a property interest.

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The amendment also changes some dates to reflect implementation time frames anticipated in the bill.

Enacted Law Summary

Public Law 2007, chapter 541 implements the recommendations of the Commission to Study the Cost of Providing Certain Services in the Unorganized Territories established by Resolve 2005, chapter 125.

Part A provides authority for county commissioners to impose service fees for certain types of services provided in the unorganized territory. Service fees must be based on the actual cost of providing the service, imposed only on persons actually receiving the service and imposed on all similarly situated persons receiving the service. Revenues must be used to reduce property taxes.

Part B changes the method of assessing areas under the jurisdiction of the Maine Land Use Regulation Commission for the cost of providing services. The unorganized territory will be assessed a fee equal to .013% of state valuation. Towns and plantations under the jurisdiction of the Maine Land Use Regulation Commission will be assessed a fee equal to .015% of state valuation, reflecting a higher amount of commission activities in those areas. The commission is required to report during the First Regular Session of the 124th Legislature regarding financial matters.

Part C provides that the Commissioner of Education may not provide or reimburse parents for providing transportation for students over roads that have not been accepted by the county as public roads or that do not meet Department of Transportation standards. Reimbursement to parents for transportation of a student will not be permitted beginning in fiscal year 2009-10.

Part D requires the State Controller to establish an Unorganized Territory Education and Services Fund that is in accordance with the standards of a governmental accounting standards board as they apply to financial statements.

Part E increases the fee paid to agents collecting motor vehicle and watercraft excise taxes in the unorganized territory from \$4 to \$6.

Part F makes technical changes to update language and statutory references and repeals an obsolete provision in the laws relating to the funding of services in the unorganized territory.

Part G authorizes county commissioners to enact an ordinance related to road construction, repair and maintenance on roads in the unorganized territory in which the county has a property interest.

LD 952 An Act To Reduce the Income Tax

**DIED BETWEEN
HOUSES**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
COURTNEY	OTP-AM MAJ ONTP MIN	

This bill specifies how the Tax Relief Fund for Maine Residents is to be used to provide tax relief. It requires the State Tax Assessor to annually adjust the income tax rates and nontaxable income amount using funds in the Tax Relief Fund for Maine Residents. The bill specifies that 50% of the revenue is to be used to decrease individual income tax rates and 50% is to be used to increase the earned income tax credit. The new rates and credit would be applicable for the immediately succeeding tax year only. If insufficient funds exist to decrease the tax rates by at least one quarter of a percentage point each and increase the earned income tax credit by 5

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percentage points, then the assessor is prohibited from making any adjustment for that year.

LD 961 An Act To Authorize an Alternative Calculation of the Property Growth Factor for Industrial Municipalities

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
THERIAULT	ONTP	

This bill provides an alternative method for municipalities with significant amounts of personal property in their tax base to calculate their property growth factor for the purposes of determining their property tax levy limit under the system in Public Law 2005, chapter 2, also known as "LD 1." Specifically, this bill allows municipalities with personal property growth exceeding 5% to calculate the property growth factor either on the basis of the previous year's data or the average of the 2 previous years' data in order to address the potential year-to-year volatility in property growth.

LD 1001 An Act To Eliminate the Property Tax on Business Equipment Owned by Small Retailers

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
COURTNEY	ONTP MAJ OTP-AM MIN	S-459 S-543 STRIMLING

This bill extends the business equipment property tax exemption to eligible property located at a retail sales facility with interior customer selling space that is smaller than 20,000 square feet.

Committee Amendment "B" (S-459)

This amendment incorporates a fiscal note.

Senate Amendment "A" (S-543)

This amendment prevents a statutory conflict.

This bill was placed on the Special Appropriations Table and died on adjournment.

LD 1094 An Act To Exempt from the Sales Tax Water Used in Agricultural Production

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PIOTTI	OTP-AM MAJ ONTP MIN	H-654

This bill adds water to the current sales tax exemption for products used in commercial agricultural crop production.

Committee Amendment "A" (H-654)

This amendment changes the effective date of the bill to August 1, 2008 and provides for the repeal of the exemption after 3 years.

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This bill was placed on the Special Appropriations Table and died on adjournment.

LD 1109 Resolve, To Establish a Study Commission To Reform Taxes and Spending in Maine **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BOWMAN	ONTP	

This resolve establishes a study commission to review the Brookings Institution report, "Charting Maine's Future: An Action Plan for Promoting Sustainable Prosperity and Quality Places." The commission is required to report back with suggested legislation for a yes or no vote, without amendments, on tax and spending reform for the State, with a focus on efficiency.

LD 1155 An Act To Include Fuel Economy when Calculating the Excise Tax on Motor Vehicles **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BABBIDGE NASS R	ONTP	

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

This bill proposes to amend the method of determining the rate of the excise tax imposed on motor vehicles to take into consideration the fuel economy of the vehicle. The manufacturer's suggested retail price, or "MSRP," would still be used to determine a portion of the tax but the remaining portion of the tax would be assessed according to a sliding scale based upon the median average miles per gallon of the vehicle, using the range posted for city and highway mileage, which, like the price, would be taken from the manufacturer's sticker. The new system would begin on January 1, 2008 and would be phased in over a 6-year period.

LD 1214 An Act To Improve the Competitiveness of Maine's Boat Building Industry **DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DAMON	OTP-AM	S-469

Current law provides an exemption from the sales tax to a nonresident who purchases a watercraft or materials for the repair or alteration of a watercraft only if the watercraft is transported outside of the State immediately after the sale. If the watercraft is present in the State, other than for temporary storage, for more than 30 days during the 12 months following the sale, then the purchaser is subject to use tax.

This bill removes the time restrictions, thus providing a sales and use tax exemption to watercraft or materials sold to a nonresident of Maine, regardless of the amount of time the watercraft remains in the State.

Committee Amendment "A" (S-469)

This amendment extends the sales tax exemption for sales of watercraft to nonresidents to permit the watercraft to remain in the State for up to 12 months after purchase. If the watercraft remains in the State or returns to the State within the 2nd year after purchase, a use tax would be due.

This bill was placed on the Special Appropriations Table and died on adjournment.

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**LD 1298 An Act To Amend the Definition of "Working Waterfront Land" To
Include Land Used for Marine Trades**

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MIRAMANT	ONTP	

This bill amends the definition of "working waterfront land" under the law authorizing current use tax valuation to include land providing access to or supporting the conduct of commercial marine activities.

LD 1400 An Act To Amend the Laws Governing the Taxation of Partnerships

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PERRY J	OTP-AM MAJ ONTP MIN	S-460

This bill provides that in the case of a professional service partnership, the aggregate amount of income that may be considered as derived from or connected with sources in this State and allocated to all qualified nonresident partners may not exceed the total income of the partnership, as reduced by the aggregate amount of income allocated to those partners who are residents of this State or nonqualified nonresident partners. This treatment is retroactive to January 1, 2001.

Committee Amendment "B" (S-460)

This amendment limits the scope of the bill to partnership income related to the practice of law or accountancy. It provides additional clarification regarding the calculation of income by specifying the method for determining reasonable compensation. It also adds an appropriations and allocations section.

This bill was placed on the Special Appropriations Table and died on adjournment.

**LD 1413 Resolve, To Review the Law Governing Municipal Service Charges for
Tax-exempt Property**

RESOLVE 146

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BLANCHETTE	OTP-AM	H-655

This bill allows a municipality to assess fees for certain services provided to a tax-exempt institution, other than houses of religious worship, that have assets with a taxable value of more than \$10,000,000 if not for the property tax exemption.

Committee Amendment "A" (H-655)

This amendment replaces the bill with a resolve and requires the State Tax Assessor to convene a study group of interested parties to review Maine law related to municipal service charges to tax-exempt property. The study group must issue its report and recommendations to the joint standing committee of the Legislature having jurisdiction over taxation matters by December 15, 2008.

Enacted Law Summary

This amendment replaces the bill with a resolve and requires the State Tax Assessor to convene a study group of

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interested parties to review Maine law related to municipal service charges to tax-exempt property. The study group must issue its report and recommendations to the joint standing committee of the Legislature having jurisdiction over taxation matters by December 15, 2008.

LD 1556 An Act To Recouple Maine Estate Tax with Federal Estate Tax

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KNIGHT	OTP-AM MAJ ONTP MIN	H-633

This bill amends the Maine estate tax to conform to the federal estate tax, beginning January 1, 2007.

Committee Amendment "A" (H-633)

This amendment changes the application date of the bill from deaths occurring on or after January 1, 2007 to deaths occurring on or after January 1, 2008. It also makes technical changes to the estate tax law necessary to accomplish the intent of the bill.

This bill was placed on the Special Appropriations Table and died on adjournment.

LD 1582 An Act Reduce Maine's Tax Burden over a 10-year Period

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WOODBURY	ONTP	

This bill puts in place a 10-year plan to reduce Maine's tax burden by establishing a statewide tax burden reduction factor that would gradually lower taxes over time. The bill also defines procedures necessary to override the tax burden reduction limits imposed in the 10-year plan. The changes proposed by this bill are subject to approval by the voters at a referendum vote in November 2007.

LD 1584 An Act To Authorize Arbitration of Property Tax Valuation Disputes

**ACCEPTED ONTP
REPORT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SMITH D	ONTP MAJ OTP-AM MIN	

This bill allows a property owner appealing a property assessment to submit the decision of a local board of assessment review to binding arbitration and specifies the procedure for selecting a neutral arbitrator and participating in binding arbitration. A decision to submit to binding arbitration stays a municipality's appeal to the Superior Court.

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LD 1725 An Act To Modernize the Alcohol Tax by Imposing It on a Per Drink Basis

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BARSTOW	ONTP	

This bill adjusts alcohol premium taxes on beer, wine, sparkling wine, fortified wine, hard cider and low-alcohol spirits products by establishing a uniform tax intended to equal 10¢ per drink. To accomplish this, the bill raises the premium tax on beer, hard cider and wine and reduces the premium tax on low-alcohol spirits products. This bill will significantly increase revenues for the prevention fund. Taxes on distilled spirits are unaffected by the bill.

The bill increases the premium tax on beer and hard cider from 10¢ per gallon to 82¢ per gallon. The premium tax on table wines increases from 30¢ per gallon to \$2.26 per gallon. The premium tax on fortified wines and sparkling wines increases from 24¢ to \$1.56 per gallon.

The bill indexes both the excise tax and the premium tax to inflation beginning in 2008. This provision will result in modest increases to both the General Fund and the prevention fund.

This bill also directs that increased premium tax revenues be used for substance abuse treatment and prevention programs, after-school programs and property tax relief, the latter by offsetting the cost of local law and liquor enforcement programs.

LD 1772 An Act To Require Nonresidents To Pay Sales Tax on Snowmobiles and ATVs

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MAREAN	ONTP	

This bill repeals the exemption from the sales tax for sales of ATVs and snowmobiles to nonresidents.

LD 1788 An Act To Equalize Tax Filing Status

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WOODBURY	ONTP	

This bill requires domestic partners registered with the Department of Health and Human Services to file their income tax returns under the same requirements as for married persons.

LD 1833 An Act To Provide Property Tax and Income Tax Relief

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HOTHAM	ONTP	

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This bill provides a framework for property tax relief and income tax relief discussions in the following ways.

Part A increases the homestead property tax exemption from \$13,000 to \$50,000.

Part B increases benefits by reducing the threshold for 100% reimbursement of property taxes from 8% of income to 6% of income. It also changes the maximum property taxes that may be considered in the formula from \$3,000 to \$2,400 for single-member households and from \$4,000 to \$3,400 for households with 2 or more members, having the effect of reducing the income eligibility threshold to \$60,000 for single-member households and \$85,000 for households with 2 or more members.

Part C increases the earned income tax credit from 5% of the federal credit to 25% and makes it refundable.

Part D provides that the personal exemption under the income tax will be the same as the federal personal exemption, increasing the amount from \$2,850 to \$3,400 for tax years beginning in 2007.

Part E increases the low-income tax credit threshold from \$2,000 of taxable income to \$10,000 of taxable income.

Part F reduces personal income tax rates and adjusts brackets.

Part G eliminates the income tax incorporation of the standard deduction or itemized deductions claimed on a federal income tax return.

Part H increases the excise tax on beer from 25¢ per gallon to 50¢ per gallon and on wine from 30¢ per gallon to 45¢ per gallon.

Part I changes the rate of tax on all taxable income for corporations to 8.93%.

Part J increases the sales tax on meals and lodging from 7% to 9%.

Part K repeals various sales tax exemptions and broadens the sales tax and service provider tax to cover certain services not currently taxed. It also reinstates the sales tax on nonstaple foods.

LD 1972 An Act To Provide Property Tax Relief

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BARTLETT	JT RULE 309	

This bill provides a refundable tax credit for 25% of the property tax paid on a person's primary residence, up to a maximum credit of \$500 per year. If a person also applies for benefits under the Circuitbreaker Program, the amount of property taxes claimed under the Circuitbreaker Program must be reduced by the amount of the credit.

This bill was placed on the Special Appropriations Table and died on adjournment.

LD 1976 An Act To Enhance Economic Development in Maine's Aviation Industry

PUBLIC 691

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
EDMONDS	OTP-AM MAJ OTP-AM MIN	S-485 S-674 ROTUNDO

This bill extends the sales tax exemption for certain aircraft to include all aircraft, regardless of where used, and also provides a sales tax exemption for parts that are used exclusively in the repair or significant overhauling of an aircraft.

Committee Amendment "A" (S-485)

This amendment narrows the expansion of the sales and use tax exemption for certain aircraft by limiting it to any aircraft purchased, leased or used in the State by a nonresident after July 1, 2008.

Senate Amendment "A" to Committee Amendment "A" (S-674)

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This amendment provides that a day that an aircraft is used to provide free emergency or compassionate air transportation arranged by an incorporated nonprofit organization providing free air transportation in private aircraft by volunteer pilots so children and adults may access life-saving medical care may not be counted toward the period of time that aircraft must be present in this State in order for it to be subject to the sales and use tax.

Enacted Law Summary

Public Law 2007, chapter 691 provides that with regard to sales and use tax on aircraft owned by nonresidents that a day that an aircraft is used to provide free emergency or compassionate air transportation arranged by an incorporated nonprofit organization providing free air transportation in private aircraft by volunteer pilots so children and adults may access life-saving medical care may not be counted toward the period of time that aircraft must be present in this State in order for it to be subject to the tax.

LD 1984 An Act To Provide a State Income Tax Deduction to Dentists for Military Pensions

PUBLIC 689

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TURNER	OTP-AM	S-476

This bill provides a tax credit to dentists who are receiving a military pension. The amount of the credit is equal to the amount of the military pension and applies only if the dentist practices an average of 20 hours per week in the State and accepts patients who receive MaineCare benefits.

Committee Amendment "A" (S-476)

This amendment replaces the income tax credit with an income tax deduction to facilitate administration of the benefit and removes emergency provisions. It also adds an appropriations and allocations section.

Enacted Law Summary

Public Law 2007, chapter 689 provides an income tax deduction for dentists who are receiving a military pension. The deduction is equal to the amount of the military pension and applies only if the dentist practices an average of 20 hours per week in the State and accepts patients who receive MaineCare benefits.

LD 2005 An Act To Clarify the Sales Tax on Prepared Meals

PUBLIC 529

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HASTINGS	OTP-AM	S-461

This bill amends the definition of "prepared food" under the sales tax law to exclude food and drinks served by a youth camp licensed under the Department of Health and Human Services.

Committee Amendment "A" (S-461)

This amendment provides more detail clarifying when youth camp meals are exempt from sales tax and places the provision in the list of sales tax exemptions.

Enacted Law Summary

Public Law 2007, chapter 529 provides a sales tax exemption for meals served by a youth camp licensed by the Department of Health and Human Services.

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LD 2008 An Act To Provide Ongoing Funding for the Historic Preservation Tax Credit

PUBLIC 614

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
COURTNEY	OTP-AM	S-573

This bill provides a source of funding for the income tax credit provided to persons who rehabilitate historic properties by earmarking sales tax revenue generated at such rehabilitated properties and all income tax paid by persons employed by a historic property retailer at those rehabilitated properties.

Committee Amendment "A" (S-573)

This amendment establishes a revised process for identifying certain sales tax and real estate transfer tax revenues attributable to historic rehabilitation projects for which an income tax credit is available and transferring those revenues to a separate fund that can be used to compensate the General Fund for future credit costs. The amendment also directs the State Tax Assessor to recommend ways to identify income tax revenues related to the same purpose.

See also LD 262.

Enacted Law Summary

Public Law 2007, chapter 614 establishes a process for identifying certain sales tax and real estate transfer tax revenues attributable to historic rehabilitation projects for which an income tax credit is available and transferring those revenues to a separate fund that can be used to compensate the General Fund for future historic rehabilitation credit costs. The State Tax Assessor is directed to recommend ways to identify income tax revenues related to the same purpose.

LD 2021 An Act To Continue the Maine Military Family Relief Fund Voluntary Checkoff

PUBLIC 674

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FISCHER	OTP-AM	H-731 S-676 ROTUNDO

This bill reintroduces the provision to the voluntary contribution checkoff on Maine individual income tax returns for the Maine Military Family Relief Fund, which provides grants to eligible families of persons who are members of the Maine National Guard or Maine residents who are members of the Reserves of the Armed Forces of the United States who have been called to military duty. The original section of law automatically repealed on December 31, 2007.

Committee Amendment "A" (H-731)

This amendment fully funds the administrative costs of the Maine Military Family Relief Fund from contributions to the fund.

Senate Amendment "A" to Committee Amendment "A" (S-676)

This amendment eliminates the General Fund appropriation and provides an Other Special Revenue Funds allocation for the administrative costs associated with the Maine Military Family Relief Fund voluntary checkoff.

Enacted Law Summary

Public Law 2007, chapter 674 reenacts the provision to the voluntary contribution checkoff on Maine individual

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income tax returns for the Maine Military Family Relief Fund, which provides grants to eligible families of persons who are members of the Maine National Guard or Maine residents who are members of the Reserves of the Armed Forces of the United States who have been called to military duty. The original section of law was automatically repealed on December 31, 2007.

LD 2049 An Act To Provide Tax Treatment Consistency for Limited Liability and S Corporations

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BRAUTIGAM	OTP-AM	H-919

This bill allows a member of a pass-through entity, such as a limited liability company or S corporation, to receive an income tax credit against taxes imposed on that member's distributive share or pro rata share of the pass-through entity's income.

Committee Amendment "A" (H-919)

This amendment ensures that amounts used to calculate the income tax credit for certain members of pass-through entities cannot also be used as a deduction from income. It also adds an appropriations and allocations section.

This bill was placed on the Special Appropriations Table and died on adjournment.

LD 2059 An Act To Establish a Wellness Tax Credit

**ACCEPTED ONTP
REPORT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GILES	ONTP MAJ OTP-AM MIN	

This bill provides an income tax credit to employers for the expense of developing, instituting and maintaining wellness programs for their employees in the amount of \$100 per employee, up to a maximum of \$10,000. A wellness program includes programs for behavior modification, such as smoking cessation programs, equipping and maintaining an exercise facility and providing incentive awards to employees who exercise regularly.

LD 2074 An Act To Reestablish Fairness in Corporate Taxation by Taxing Real Estate Investment Trusts

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DUCHESNE	ONTP	

Under current law, real estate investment trusts, or "REITs," which are a type of corporation that invests in real estate, are not taxed at the corporate or entity level, although distributions from the REIT are taxable income to participants in the REIT.

This bill taxes REITs at the corporate level at the same rate as other corporations are taxed in Maine. Revenue generated by this tax is dedicated to the Land for Maine's Future Fund. The bill also amends current law to require an individual to modify that individual's taxable income based on any items of loss or gain by the REIT that are passed through the REIT to the individual.

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LD 2097 An Act To Clarify the Exemption of Retail Sales of Kerosene from the Sales Tax

PUBLIC 675

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
THOMAS	OTP-AM	H-754 S-667 ROTUNDO

This bill provides that kerosene dispensed into containers of 5 gallons or less is presumed to be used for cooking and heating and is thus exempt from sales tax.

Committee Amendment "A" (H-754)

This amendment clarifies the exemption from retail sales tax of kerosene in small containers and includes home heating oil in that exemption.

Senate Amendment "A" to Committee Amendment "A" (S-667)

This amendment provides that kerosene or home heating oil that is prepackaged or dispensed from a tank for retail sale in containers with a capacity of 5 gallons or less is presumed to be used for residential cooking and heating and to qualify for a sales tax exemption.

Enacted Law Summary

Public Law 2007, chapter 675 provides that kerosene or home heating oil that is prepackaged or dispensed from a tank for retail sale in containers with a capacity of 5 gallons or less is presumed to be used for residential cooking and heating and to qualify for a sales tax exemption.

LD 2099 An Act To Provide Property Tax Relief to Maine Veterans

DIED ON
ADJOURNMENT

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WHEELER	OTP-AM	H-856

This bill provides a full property tax exemption for those veterans who served during a federally recognized war period and are permanently and totally disabled as a result of that service; the \$6,000 exemption for veterans 62 years of age or older is continued. The current \$50,000 exemption for certain veterans with specialty adapted housing is continued for the unmarried widow or widower of a qualified veteran.

This bill also provides, beginning January 1, 2009, a full exemption from the motor vehicle excise tax for veterans who served in the Armed Forces of the United States and are permanently and totally disabled as a result of that service.

Committee Amendment "A" (H-856)

This amendment increases the general property tax exemption for veterans who served during federally recognized war periods from \$6,000 to \$7,000 and the exemption for paraplegic veterans from \$50,000 to \$55,000. The amendment also removes provisions from the bill providing an excise tax exemption for permanently and totally disabled veterans.

This bill was placed on the Special Appropriations Table and died on adjournment.

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LD 2100 An Act To Exempt from Gasoline Tax at the Time of Sale Fuel Used for Off-road Commercial Uses

ACCEPTED ONTP
REPORT

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CARTER	ONTP MAJ OTP-AM MIN	

This bill allows a person who purchases and uses motor fuel for commercial off-road uses to obtain a certificate from the State Tax Assessor that allows the person to purchase the fuel from a retailer without paying the fuel tax at the time of purchase. Following purchase, the person must dye the tax-exempt fuel.

LD 2140 An Act To Protect Parties to Real Estate Transactions

PUBLIC 687

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SIROIS NUTTING J	OTP-AM	H-812

This bill requires persons responsible for settlement of proceeds in the transfer of real estate for personal, family or household purposes that are secured by mortgage to notify the municipality where the property is located of the transfer and to require the purchaser of residential real estate to pay all property taxes from the date of closing until April 1st of the subsequent year.

The bill also requires a municipality that has been notified to file the lien for nonpayment of taxes in the name of purchaser and provides a remedy for the buyer and seller against a settlement agent who violates the requirements. The bill requires the Superintendent of Consumer Credit Protection to enforce the requirements.

Committee Amendment "A" (H-812)

This amendment requires the Department of Administrative and Financial Services, Bureau of Revenue Services to prepare and distribute a guidance document to sellers and buyers of real estate to provide information about problems that can arise as the result of the proration of responsibility for the payment of property taxes among the parties when property is transferred in order to ensure that the parties are better informed about the potential implications of the allocation of property taxes incident to the transfer. It also authorizes a party to a property tax proration to bring legal action against a party who does not pay that party's share of the property taxes and to recover the costs of discharging a lien and attorney's fees. A party who prevails in such an action who pays delinquent taxes may have information about a lien in that party's credit report designated as inaccurate information. The amendment also adds an appropriations and allocations section.

Enacted Law Summary

Public Law 2007 chapter 687 requires the Department of Administrative and Financial Services, Bureau of Revenue Services to prepare and distribute a guidance document to sellers and buyers of real estate to provide information about problems that can arise as the result of the proration of responsibility for the payment of property taxes among the parties when property is transferred in order to ensure that the parties are better informed about the potential implications of the allocation of property taxes incident to the transfer. It also authorizes a party to a property tax proration to bring legal action against a party who does not pay that party's share of the property taxes and to recover the costs of discharging a lien and attorney's fees. A party who prevails in such an action who pays delinquent taxes may have information about a lien in that party's credit report designated as inaccurate information.

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LD 2144 Resolve, Authorizing the State Tax Assessor To Convey the Interest of the State in Certain Real Estate in the Unorganized Territory

RESOLVE 185

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PERRY J	OTP-AM	S-487

This resolve 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 for nonpayment of property taxes.

Committee Amendment "A" (S-487)

This amendment incorporates a fiscal note.

Enacted Law Summary

Resolve 2007, chapter 185 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 for nonpayment of property taxes.

LD 2145 An Act To Conform the Maine Tax Laws for 2007 to the United States Internal Revenue Code

DIED BETWEEN HOUSES

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PIOTTI	ONTP MAJ OTP-AM MIN	

This bill updates references to the United States Internal Revenue Code of 1986 contained in the Maine Revised Statutes, Title 36 to the United States Internal Revenue Code of 1986 as amended through December 31, 2007 for tax years beginning on or after January 1, 2007 and for any prior years as specifically provided by the United States Internal Revenue Code concerning income tax and estate tax laws.

An amended version of this bill was included in the supplemental budget bill, Public Law 2007, Chapter 539, Part CCC.

LD 2151 An Act To Make Minor Substantive Changes to the Tax Laws

PUBLIC 693

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PIOTTI	OTP-AM MAJ	H-854
PERRY J	OTP-AM MIN	S-557 STRIMLING
		S-696 PERRY J

This bill is the annual bill presented by the Bureau of Revenue Services to make minor substantive changes to the tax laws.

This bill amends statutes that affect administration of sales tax exemption and refund provisions and income tax credit provisions related to the Maine Wind Energy Act.

1. It provides that the penalties generally applicable to taxes imposed under the Maine Revised Statutes, Title 36 apply to the state tax on telecommunications personal property.
2. It allows the Department of Administrative and Financial Services, Bureau of Revenue Services to share

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otherwise confidential information with the Department of Economic and Community Development to the extent necessary for the proper administration of the Maine Employment Tax Increment Financing Program, the media production credit and the media production reimbursement.

3. It authorizes the State Tax Assessor to require electronic filing and payment of Competitive Skills Scholarship Fund contributions.
4. It amends the state tax on telecommunications personal property to establish mandatory reporting requirements and to clarify the penalties that may be imposed for failure to file returns and pay the tax.
5. It authorizes the State Tax Assessor to set off against revenues received credit card fees incurred by the assessor in connection with the collection of excise taxes in the unorganized territory.
6. It clarifies the administration of the sales tax exemption for and the reimbursement provisions of the Maine Wind Energy Act.
7. It imposes the requirement that if an internal combustion engine fuel distributor includes the excise tax on internal combustion engine fuel on a customer's bill it must be shown as a separate line item and identified as "Maine gasoline tax."
8. It imposes the requirement that if a special fuel supplier or retailer includes the excise tax on special fuel on a customer's bill it must be shown as a separate line item and identified as "Maine special fuel tax."
9. It establishes a credit against the tax on a resident decedent's estate for taxes paid to another jurisdiction on certain real or tangible property located in the other jurisdiction that is also taxed by Maine.
10. It makes specific the requirement that an amended Maine estate tax return must be filed if the United States Internal Revenue Service makes changes or if additional assets are discovered.
11. It clarifies that the amount of earned income credit is prorated for nonresidents and part-year residents.
12. It changes the community wind power generator credit by adding definitions and providing for apportionment of the credit.
13. It establishes a requirement for partnerships and S corporations to file amended information returns in certain circumstances.
14. It eliminates a requirement that the State Tax Assessor report to the Legislature certain information regarding applicants for reimbursement under the BETR program. The purpose of the report is to identify the extent of overlap between reimbursement for property taxes on personal property under the BETR program and under a tax increment financing agreement. This "double-dipping" has now been eliminated for new property.
15. It eliminates a requirement that information provided to the State Tax Assessor in connection with a media production tax reimbursement claim must also be provided by the applicant to the Department of Economic and Community Development and changes the reimbursement period to 90 days from the date the assessor receives the information.
16. It provides the State Tax Assessor with explicit statutory authority to use sampling techniques in conducting audits.
17. It makes the sales and use tax laws consistent with administrative practice regarding the treatment of exempt sales for resale and the issuance and use of resale certificates.
18. It provides that the State Tax Assessor has the authority to determine the Maine taxable estate and the value of the estate for estate tax purposes.

Committee Amendment "A" (H-854)

This amendment removes provisions from the bill regarding authority to use sampling techniques in conducting auditing and an unnecessary application date. The amendment also removes a provision of the bill that repealed a report to the Legislature, but changes the date of the report to permit provision of better data and revises language regarding presumptions relating to sale for resale. The amendment also makes minor changes to the municipal farm support program to facilitate administration.

Senate Amendment "B" (S-557)

This amendment provides that certain tax-exempt entities may qualify for the credit for rehabilitation of historic properties. The amendment also renumbers a section to read consecutively with existing law and corrects cross-references in the bill to reflect the renumbering of the section. The amendment also provides that the changes to the Maine Revised Statutes, Title 36, section 5219-BB are retroactive to June 30, 2008.

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Senate Amendment "F" (S-696)

This amendment restores language in current law that requires the State Tax Assessor to follow final federal determinations for certain estate tax issues, but limits that requirement by providing that for deaths occurring on or after July 1, 2008 but before January 1, 2010 the State Tax Assessor is not bound by a final federal determination if the assessor determines the issue for purposes of tax under the Maine Revised Statutes, Title 36, chapter 575 within 2 years of the date that the return was filed or the date the return is due, whichever is later.

Enacted Law Summary

Public Law 2007, chapter 693 is the annual bill presented by the Bureau of Revenue Services to make minor substantive changes to the tax laws.

1. It provides that the penalties generally applicable to taxes imposed under the Maine Revised Statutes, Title 36 apply to the state tax on telecommunications personal property.
2. It allows the Department of Administrative and Financial Services, Bureau of Revenue Services to share otherwise confidential information with the Department of Economic and Community Development to the extent necessary for the proper administration of the Maine Employment Tax Increment Financing Program, the media production credit and the media production reimbursement.
3. It authorizes the State Tax Assessor to require electronic filing and payment of Competitive Skills Scholarship Fund contributions.
4. It amends the state tax on telecommunications personal property to establish mandatory reporting requirements and to clarify the penalties that may be imposed for failure to file returns and pay the tax.
5. It authorizes the State Tax Assessor to set off against revenues received credit card fees incurred by the assessor in connection with the collection of excise taxes in the unorganized territory.
6. It clarifies the administration of the sales tax exemption for and the reimbursement provisions of the Maine Wind Energy Act.
7. It imposes the requirement that if an internal combustion engine fuel distributor includes the excise tax on internal combustion engine fuel on a customer's bill it must be shown as a separate line item and identified as "Maine gasoline tax."
8. It imposes the requirement that if a special fuel supplier or retailer includes the excise tax on special fuel on a customer's bill it must be shown as a separate line item and identified as "Maine special fuel tax."
9. It establishes a credit against the tax on a resident decedent's estate for taxes paid to another jurisdiction on certain real or tangible property located in the other jurisdiction that is also taxed by Maine.
10. It makes specific the requirement that an amended Maine estate tax return must be filed if the United States Internal Revenue Service makes changes or if additional assets are discovered.
11. It clarifies that the amount of earned income credit is prorated for nonresidents and part-year residents.
12. It changes the community wind power generator credit by adding definitions and providing for apportionment of the credit.
13. It establishes a requirement for partnerships and S corporations to file amended information returns in certain circumstances.
14. It changes the date by which the State Tax Assessor must report to the Legislature certain information regarding applicants for reimbursement under the BETR program.
15. It eliminates a requirement that information provided to the State Tax Assessor in connection with a media production tax reimbursement claim must also be provided by the applicant to the Department of Economic and Community Development and changes the reimbursement period to 90 days from the date the assessor receives the information.
17. It clarifies the sales and use tax laws regarding the treatment of exempt sales for resale and the issuance and use of resale certificates.
18. It provides that the State Tax Assessor has the authority to determine the Maine taxable estate and the value of the estate for estate tax purposes for deaths occurring between July 1, 2008 and January 1, 2010 if the assessor determines the issue within 2 years of the date the return was filed or the date the return is due, whichever is later.
19. It makes minor changes to the municipal farm support program to facilitate administration.
20. It clarifies that certain tax exempt entities may qualify for the income tax credit for rehabilitation of historic

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properties.

LD 2154 An Act Concerning Technical Changes to the Tax Laws

PUBLIC 627

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PERRY J	OTP-AM	S-508 S-550 PERRY J

This bill is the annual bill presented by the Bureau of Revenue Services to make technical corrections to the tax laws including repealing superfluous or redundant definitions and effective dates, updating references to the Internal Revenue Code and correcting grammar, punctuation and internal cross-references. In addition, this bill also:

1. Clarifies the effect of a determination by the State Tax Assessor that collection of a tax will be jeopardized by delay;
2. Relocates a provision relating to service charges imposed by municipalities for municipal services provided with respect to certain tax-exempt property that is inappropriately located in a statute providing exemptions for property of certain institutions and organizations;
3. Replaces the imprecise term "camp trailer" with the defined term "camper trailer";
4. Corrects a conflict created by Public Law 2007, chapters 425 and 438, which affected the same provision of law, by incorporating changes made by both laws;
5. Eliminates certain defunct organizations from a list of exempt institutions and organizations;
6. Eliminates a reference to the Commissioner of Finance, an office that no longer exists;
7. Clarifies the computation of "property tax revenue lost" for purposes of determining the reimbursement to municipalities with respect to the business equipment tax exemption;
8. Amends the excise tax law to reflect the fact that licensing of common carriers has been transferred from the Public Utilities Commission to the Department of Transportation;
9. Clarifies certain requirements relating to payment of excise taxes on aircraft;
10. Clarifies that the same definition of "automobile" applies throughout the sales and use tax law and relocates the definition of "loaner vehicle" to the definitions section;
11. Clarifies that repair parts used in the performance of repair services under certain extended warranty contracts are not deemed to be "sold" for purposes of the sales and use tax law;
12. Clarifies requirements relating to payment of use tax on property registered for use in this State;
13. Clarifies requirements relating to furnishing of bonds by certain taxpayers;
14. Clarifies that the sales tax exemption for property delivered outside the State does not apply to subsequent use of the property in the State. The proposed change reflects current Maine Revenue Services administrative policy;
15. Restores a trade-in credit that was inadvertently repealed by legislation enacted in the First Regular Session of the 123rd Legislature;
16. Clarifies the responsibilities of a surplus lines producer under the insurance company tax law. The proposed changes reflect current Maine Revenue Services administrative policy;
17. Clarifies that the annual return filed by risk retention groups is to be filed with the State Tax Assessor rather than the Treasurer of State and that the due date of the return is March 15th rather than March 1st. The proposed changes make the requirements similar to those for other insurance taxes and reflect current Maine Revenue Services administrative policy;
18. Corrects a conflict created by Public Law 2007, chapters 427 and 437, which affected the same provision of law, by incorporating changes made by both laws;
19. Amends provisions of the service provider tax law relating to telecommunications services to reflect current telecommunications technology;
20. Clarifies the meaning of "international flight" for purposes of exempting certain fuel used in international flights from the gasoline tax;
21. Clarifies provisions of the special fuel tax law by adding definitions;
22. Corrects a conflict created by Public Law 2007, chapters 410 and 444, which affected the same provision of law, by incorporating changes made by both laws;

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24. Corrects a conflict created by Public Law 2007, chapters 372 and 437, which affected the same provision of law, by incorporating changes made by both laws;
25. Clarifies the authority of the State Tax Assessor to include in the establishment of the applicable tax mill rate in the unorganized territory the costs of payments that the unorganized territory district is obligated to make under a tax increment financing agreement and clarifies that the Treasurer of State is authorized to make the payments obligated under an unorganized territory tax increment financing agreement after the tax increment financing taxes are paid;
26. Clarifies that the premium charged for motor vehicle oil changes is not included in the sale price for purposes of the sales tax; and
27. Reenacts definitions that were repealed mistakenly in Public Law 2007, chapter 240.

Committee Amendment "A" (S-508)

This amendment amends provisions regarding tax increment financing districts in the unorganized territories. It also removes a provision resolving a statutory conflict in the real estate transfer tax because that conflict is resolved in other legislation. The amendment also adds a section to correct a provision in the forest management planning income tax credit to avoid double counting of certain expenses.

Senate Amendment "A" (S-550) to Committee Amendment "A"

This amendment expands the deadline for fiscal arrangements as part of the municipal cost component for tax increment financing districts in the unorganized territory from January 1, 2008 to July 1, 2008.

Enacted Law Summary

Public Law 2007, chapter 627 is the annual bill presented by the Bureau of Revenue Services to make technical corrections to the tax laws including repealing superfluous or redundant definitions and effective dates, updating references to the Internal Revenue Code and correcting grammar, punctuation and internal cross-references. In addition, this law also:

1. Clarifies the effect of a determination by the State Tax Assessor that collection of a tax will be jeopardized by delay;
2. Relocates a provision relating to service charges imposed by municipalities for municipal services provided with respect to certain tax-exempt property that is inappropriately located in a statute providing exemptions for property of certain institutions and organizations;
3. Replaces the imprecise term "camp trailer" with the defined term "camper trailer";
4. Corrects a conflict created by Public Law 2007, chapters 425 and 438, which affected the same provision of law, by incorporating changes made by both laws;
5. Eliminates certain defunct organizations from a list of exempt institutions and organizations;
6. Eliminates a reference to the Commissioner of Finance, an office that no longer exists;
7. Clarifies the computation of "property tax revenue lost" for purposes of determining the reimbursement to municipalities with respect to the business equipment tax exemption;
8. Amends the excise tax law to reflect the fact that licensing of common carriers has been transferred from the Public Utilities Commission to the Department of Transportation;
9. Clarifies certain requirements relating to payment of excise taxes on aircraft;
10. Clarifies that the same definition of "automobile" applies throughout the sales and use tax law and relocates the definition of "loaner vehicle" to the definitions section;
11. Clarifies that repair parts used in the performance of repair services under certain extended warranty contracts are not deemed to be "sold" for purposes of the sales and use tax law;
12. Clarifies requirements relating to payment of use tax on property registered for use in this State;
13. Clarifies requirements relating to furnishing of bonds by certain taxpayers;
14. Clarifies that the sales tax exemption for property delivered outside the State does not apply to subsequent use of the property in the State. The proposed change reflects current Maine Revenue Services administrative policy;
15. Restores a trade-in credit that was inadvertently repealed by legislation enacted in the First Regular Session of the 123rd Legislature;
16. Clarifies the responsibilities of a surplus lines producer under the insurance company tax law. The proposed changes reflect current Maine Revenue Services administrative policy;

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17. Clarifies that the annual return filed by risk retention groups is to be filed with the State Tax Assessor rather than the Treasurer of State and that the due date of the return is March 15th rather than March 1st. The proposed changes make the requirements similar to those for other insurance taxes and reflect current Maine Revenue Services administrative policy;
18. Amends the forest management planning income tax credit to avoid double counting of certain expenses;
19. Amends provisions of the service provider tax law relating to telecommunications services to reflect current telecommunications technology;
20. Clarifies the meaning of "international flight" for purposes of exempting certain fuel used in international flights from the gasoline tax;
21. Clarifies provisions of the special fuel tax law by adding definitions;
22. Corrects a conflict created by Public Law 2007, chapters 410 and 444, which affected the same provision of law, by incorporating changes made by both laws;
24. Corrects a conflict created by Public Law 2007, chapters 372 and 437, which affected the same provision of law, by incorporating changes made by both laws;
25. Clarifies the authority of the State Tax Assessor to include in the establishment of the applicable tax mill rate in the unorganized territory the costs of payments that the unorganized territory district is obligated to make under a tax increment financing agreement entered into before July 1, 2008 and clarifies that the Treasurer of State is authorized to make the payments obligated under an unorganized territory tax increment financing agreement after the tax increment financing taxes are paid;
26. Clarifies that the premium charged for motor vehicle oil changes is not included in the sale price for purposes of the sales tax; and
27. Reenacts definitions that were repealed mistakenly in Public Law 2007, chapter 240.

LD 2192 An Act To Increase Access to Dental Care

PUBLIC 690

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SUTHERLAND	OTP-AM	H-902

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

This bill proposes to provide sales and income tax incentives for 5 years to recent graduates from dental school or dentists practicing in another state to practice in underserved areas in Maine.

Committee Amendment "A" (H-902)

This amendment creates an income tax credit of up to \$15,000 beginning in 2009 for up to 5 new dentists in 2009 and 5 additional dentists in 2010 who agree to practice in underserved areas of the State for at least 5 years and requires the Department of Health and Human Services' oral health program to certify eligibility and to report on the effectiveness of the tax incentive in 2011.

Enacted Law Summary

Public Law 2007, chapter 690 creates an income tax credit of up to \$15,000 beginning in 2009 for up to 5 new dentists in 2009 and 5 additional dentists in 2010 who agree to practice in underserved areas of the State for at least 5 years and requires the Department of Health and Human Services' oral health program to certify eligibility and to report on the effectiveness of the tax incentive in 2011.

LD 2202 An Act To Allow a Municipality To Adopt a Program To Provide Property Tax Benefits to Senior Citizens

PUBLIC 635

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WHEELER	OTP-AM	H-903

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LD 2222 **Resolve, To Assist Maine's Forest Products Industry**

**RESOLVE 218
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PIOTTI	OTP-AM	H-775

This resolve allows a person or a successor in interest of a person who is engaged in the forestry and logging industry to file a claim between February 1, 2008 and July 31, 2008 under the BETR program for property taxes paid during 2007 on eligible property as long as the person or successor is the owner of the eligible property on the date the claim is filed.

Committee Amendment "A" (H-775)

This amendment incorporates a fiscal note.

Enacted Law Summary

Resolve 2007, chapter 218 allows a person or a successor in interest of a person who is engaged in the forestry and logging industry to file a claim between February 1, 2008 and July 31, 2008 under the BETR program for property taxes paid during 2007 on eligible property as long as the person or successor is the owner of the eligible property on the date the claim is filed.

Resolve 2007, chapter 218 was finally passed as an emergency measure effective April 23, 2008.

LD 2225 **An Act To Provide Tax Relief to Maine's Forest Products Industry**

**PUBLIC 658
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SCHNEIDER	OTP-AM	S-559

This bill provides for a sales tax exemption for repair parts and maintenance supplies used for motor vehicles and trailers primarily engaged in the transport of harvested forest products. The exemption is repealed on October 1, 2008. The bill also authorizes the Governor to transfer funds by financial order from the emergency portion of the State Contingent Account to the unappropriated surplus of the General Fund.

Committee Amendment "A" (S-559)

This amendment adds provisions to clarify the application of the exemption and improve administration.

Enacted Law Summary

Public Law 2007, chapter 658 provides a sales tax exemption for repair parts and maintenance supplies used for motor vehicles and trailers primarily engaged in the transport of harvested forest products. The exemption is repealed on October 1, 2008. The resolve also authorizes the Governor to transfer funds by financial order from the emergency portion of the State Contingent Account to the unappropriated surplus of the General Fund.

Public Law 2007, chapter 658 was enacted as an emergency measure effective April 18, 2007.

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LD 2228 Resolve, To Provide a Rebate of Diesel Fuel Taxes Paid by Maine's Forest Products Industry

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SCHNEIDER	OTP-AM MAJ ONTP MIN	H-981 PIOTTI S-522

This resolve provides a rebate of taxes paid from January 1, 2008 to April 30, 2008 on diesel fuel used by vehicles carrying forest products.

Committee Amendment "A" (S-522)

This amendment clarifies that the tax refund applies only to special fuel used to transport forest products to and from a mill and provides administrative details to facilitate the processing of refunds.

House Amendment "A" (H-981) to Committee Amendment "A"

This amendment provides funding from the General Fund for the refunds. It also removes the emergency preamble and clause.

This bill was placed on the Special Appropriations Table and died on adjournment.

LD 2229 An Act To Expand the Economic Development Benefit of Tax Increment Financing in Counties That Include Unorganized Territories

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RAYE	ONTP	

This bill allows a development program for a development district or tax increment financing district located within the unorganized territory of a county to fund the development activity for that county.

See also LDs 2154 and 2251.

LD 2251 An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2008-09 and To Require Notation of Tax Enhancement Programs Approved by the County Commissioners

**PUBLIC 636
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM	H-920

This bill establishes municipal cost components for state and county services provided to the unorganized territory that would be paid for by a municipality. The municipal cost components constitute the property tax for the unorganized territory.

In addition, this bill requires that the fiscal administrator of the unorganized territory include in both the report and proposed legislation submitted annually to the Legislature a notation as to any tax enhancement programs that have been approved by the county commissioners.

Committee Amendment "A" (H-920)

Joint Standing Committee on Taxation

This amendment requires the fiscal administrator of the unorganized territory to include information about economic development districts in the unorganized territory in the administrator's annual report. The amendment also corrects an error in the amount of county reimbursement for services requested by Aroostook County.

Enacted Law Summary

Public Law 2007, chapter 636 establishes municipal cost components for state and county services provided to the unorganized territory that would be paid for by a municipality. The municipal cost components constitute the property tax for the unorganized territory. The resolve requires the fiscal administrator of the unorganized territory to include information about economic development districts in the unorganized territory in the administrator's annual report. The amendment also corrects an error in the amount of county reimbursement for services requested by Aroostook County.

Public Law 2007, chapter 636 was enacted as an emergency measure effective April 16, 2008.

LD 2270 An Act To Change the Formula for Calculation of the Motor Vehicle Excise Tax

ACCEPTED ONTP
REPORT

Sponsor(s)

Committee Report

Amendments Adopted

ONTP MAJ
OTP-AM MIN

This bill reduces the motor vehicle excise tax in the first year and the 8th and subsequent years, increases the tax in the 2nd to 7th year and lengthens the schedule for reduction of the tax to recognize that motor vehicles have a longer useful life on average than when the current formula was adopted.

LD 2274 An Act To Amend the Municipal Tree Growth Reimbursement Formula

PUBLIC 639

Sponsor(s)

Committee Report

Amendments Adopted

OTP-AM

H-952

This bill amends in 2 ways the law regarding the distribution of reimbursement to the municipalities to partially cover the property tax losses they experience as a result of the tree growth tax program. First, the bill adjusts the statewide appropriation for reimbursement purposes to reflect the education subsidy impacts of tree growth enrollments, rather than adjusting each municipality's individual reimbursement as is done under the current system. Second, the bill establishes each municipality's share of the total municipal reimbursement appropriation on the basis of 3 data inputs:

1. The number of acres enrolled in the program in the municipality;
2. The difference between the tree growth acreage rates and the local or regional undeveloped acreage; and
3. The municipality's full value mill rate.

Committee Amendment "A" (H-952)

This amendment deletes language that is inconsistent with the changes in the bill and inserts language in the definition of "reduced tree growth valuation" that was inadvertently omitted.

Enacted Law Summary

Public Law 2007, chapter 639 amends in 2 ways the law regarding the distribution of reimbursement to municipalities to partially cover the property tax losses they experience as a result of the tree growth tax program. First, chapter 639 adjusts the statewide appropriation for reimbursement purposes to reflect the education subsidy

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impacts of tree growth enrollments, rather than adjusting each municipality's individual reimbursement as is done under the current system. Second, chapter 639 establishes each municipality's share of the total municipal reimbursement appropriation on the basis of 3 data inputs:

1. The number of acres enrolled in the program in the municipality;
2. The difference between the tree growth acreage rates and the local or regional undeveloped acreage; and
3. The municipality's full value mill rate.

LD 2276 An Act To Improve the Administration of State-Municipal Revenue Sharing

PUBLIC 662

Sponsor(s)

Committee Report

Amendments Adopted

OTP-AM

H-951

This bill clarifies and changes the timing of the various data inputs that in combination determine each municipality's share of the state-municipal revenue sharing distribution, including municipal population, full-value mill rates and consumer price indices, so that the Treasurer of State can post the projected revenue sharing distribution in a timely manner for the purposes of municipal budget development. The bill also requires the Treasurer of State to post the revenue sharing projections on the Treasurer of State's website no later than April 15th of each year.

This bill also makes several changes to laws related to state-municipal revenue sharing as it relates to the Fund for the Efficient Delivery of Local and Regional Services and the system of calculating a municipality's property tax levy limit. This bill:

1. Permanently establishes legislative practice by dedicating \$500,000 of state-municipal revenue sharing funds each year to the Fund for the Efficient Delivery of Local and Regional Services rather than 2% of receipts of the Local Government Fund as originally enacted;
2. Changes the administration of the Local Government Efficiency Fund to require dollar-for-dollar matching requirements for planning grants and limits the overall distribution of planning grants in any year to no more than 10% of all grants as measured by value;
3. Clarifies with respect to the calculation of a municipality's property tax levy limit that "net new funds" refers to municipal revenue sharing and that the net new funding analysis applies to the previous calendar year's receipts rather than current projected fiscal year receipts; and
4. Allows "net new funds" adjustments to the property tax levy limit to operate either as a negative or a positive adjustment in response to revenue sharing increases or decreases.

Committee Amendment "A" (H-951)

This amendment removes provisions from the bill regarding distributions from the Fund for the Efficient Delivery of Local and Regional Services.

Enacted Law Summary

Public Law 2007, chapter 662 clarifies and changes the timing of the various data inputs that in combination determine each municipality's share of the state-municipal revenue sharing distribution, including municipal population, full-value mill rates and consumer price indices, so that the Treasurer of State can post the projected revenue sharing distribution in a timely manner for the purposes of municipal budget development. Chapter 662 also requires the Treasurer of State to post the revenue sharing projections on the Treasurer of State's website no later than April 15th of each year.

Chapter 662 also provides, with respect to the calculation of a municipality's property tax levy limit, that "net new funds" refers to municipal revenue sharing and that the net new funding analysis applies to the previous calendar year's receipts rather than current projected fiscal year receipts; and allows "net new funds" adjustments to the property tax levy limit to operate either as a negative or a positive adjustment in response to revenue sharing increases or decreases.

Joint Standing Committee on Taxation

LD 2305 An Act To Restore Benefits under the Circuitbreaker Program

PUBLIC 700
EMERGENCY

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
STRIMLING		S-617 NASS R S-693 ROTUNDO

Public Law 2007, chapter 539 changed the Circuitbreaker Program by repealing indexing of the maximum benefits under the program and reverting the maximum benefit to the amounts prior to indexing.

This bill restores indexing of the maximum benefit and puts the amounts of the benefit, beginning with the application period beginning August 1, 2008, at the amounts they would have been, \$3,350 for single-member households and \$4,400 for multi-member households, but for the changes made by Public Law 2007, chapter 539. This bill also places an income cap for eligibility for benefits under the Circuitbreaker Program of \$60,000 for an individual and \$80,000 for a multi-member household and provides for the indexing of that cap.

This bill also limits the subtraction modification for the recapture of carry-back net operating losses to \$75,000 from the current \$100,000 in taxable years beginning in 2008 and 2009. Unused amounts resulting from the limitation may be carried over to future tax years that are within the federal carry-over period for net operating losses.

Senate Amendment "A" (S-617)

This amendment removes the changes to the recapture of carry-back net operating losses proposed in the bill. This amendment requires for income tax years beginning in 2008 a corporation to increase its income, for Maine income tax purposes, by 10% of the value in excess of \$100,000 of any net operating loss carried over for federal income tax purposes and allows the corporation during the allowable federal period for carryover of the loss plus one year to reduce its income, for Maine income tax purposes, by a like amount, with certain limitations.

Senate Amendment "B" (S-693)

This amendment adds an emergency preamble and an emergency clause. This amendment also adds an additional transfer from the unappropriated surplus of the General Fund of up to \$10,000,000 to the Maine Budget Stabilization Fund from the uncommitted unappropriated surplus at the close of fiscal year 2007-08 prior to the transfers to MaineCare for hospital payments that preempted the normal year-end transfers in fiscal year 2007-08. This limited additional transfer is being made into the Maine Budget Stabilization Fund in order to increase balances in reserve due to concerns about the deteriorating national economy and the potential effect on future revenue forecasts.

Enacted Law Summary

Public Law 2007, chapter 700 changes amendments to the Circuitbreaker Program made in the supplemental budget bill, Public Law 2007, chapter 539 Part BBBB. Chapter 700 restores indexing of the maximum benefit and puts the amounts of the benefit, beginning with the application period beginning August 1, 2008, at the amounts they would have been, \$3,350 for single-member households and \$4,400 for multi-member households, but for the changes made by Public Law 2007, chapter 539. Chapter 700 also places an income cap for eligibility for benefits under the Circuitbreaker Program of \$60,000 for an individual and \$80,000 for a multi-member household and provides for the indexing of that cap.

Chapter 700 also requires that for income tax years beginning in 2008 a corporation to increase its income, for Maine income tax purposes, by 10% of the value in excess of \$100,000 of any net operating loss carried over for federal income tax purposes and allows the corporation during the allowable federal period for carryover of the loss plus one year to reduce its income, for Maine income tax purposes, by a like amount, with certain limitations.

Chapter 700 also requires a transfer from the unappropriated surplus of the General Fund of up to \$10,000,000 to the

Joint Standing Committee on Taxation

Maine Budget Stabilization Fund from the uncommitted unappropriated surplus at the close of fiscal year 2007-08 prior to the transfers to MaineCare for hospital payments that preempted the normal year-end transfers in fiscal year 2007-08. This limited additional transfer is being made into the Maine Budget Stabilization Fund in order to increase balances in reserve due to concerns about the deteriorating national economy and the potential effect on future revenue forecasts.

Public Law 2007, chapter 700 was enacted as an emergency measure effective April 24, 2008.

LD 2310 An Act To Permit Persons 65 Years of Age or Older To Defer Payment of Property Taxes

**DIED ON
ADJOURNMENT**

Sponsor(s)

Committee Report

Amendments Adopted

This bill was submitted by the Joint Standing Committee on Taxation pursuant to Joint Order, H. P. 1233 and provides a process that permits persons 65 years of age or older to defer property taxes on their homesteads. The State would reimburse municipalities for the deferred taxes and acquire a lien on the property to collect what is owed when the property is sold or otherwise transferred.

This bill was placed on the Special Appropriations Table and died on adjournment.

LD 2319 An Act To Promote Filmmaking in the State

**DIED BETWEEN
HOUSES**

Sponsor(s)

Committee Report

Amendments Adopted

MILLS J

S-697 MARTIN

This bill provides reimbursement for expenditures of a feature film production in rural western Maine that occurs primarily between September 1, 2008 and January 1, 2009. Reimbursement is limited to \$800,000 and is paid in 4 equal installments beginning in July 2010.

Senate Amendment "A" (S-697)

This amendment provides the Governor with the discretion of determining whether a media production company is eligible for a film incentive credit.

Joint Standing Committee on Taxation

SUBJECT INDEX

Administration of Tax Laws

Enacted

LD 2151	An Act To Make Minor Substantive Changes to the Tax Laws	PUBLIC 693
LD 2154	An Act Concerning Technical Changes to the Tax Laws	PUBLIC 627

Income Tax - General

Enacted

LD 349	Resolve, To Provide Funding for Small Wind Power Generators	RESOLVE 226
LD 1984	An Act To Provide a State Income Tax Deduction to Dentists for Military Pensions	PUBLIC 689
LD 2008	An Act To Provide Ongoing Funding for the Historic Preservation Tax Credit	PUBLIC 614
LD 2021	An Act To Continue the Maine Military Family Relief Fund Voluntary Checkoff	PUBLIC 674
LD 2192	An Act To Increase Access to Dental Care	PUBLIC 690

Not Enacted

LD 262	An Act To Amend the Credit for Rehabilitation of Historic Properties	DIED ON ADJOURNMENT
LD 737	An Act To Promote Forest Management Planning and Certification	DIED ON ADJOURNMENT
LD 952	An Act To Reduce the Income Tax	DIED BETWEEN HOUSES
LD 1400	An Act To Amend the Laws Governing the Taxation of Partnerships	DIED ON ADJOURNMENT
LD 1788	An Act To Equalize Tax Filing Status	ONTP

LD 2049	An Act To Provide Tax Treatment Consistency for Limited Liability and S Corporations	DIED ON ADJOURNMENT
LD 2059	An Act To Establish a Wellness Tax Credit	ACCEPTED ONTP REPORT
LD 2074	An Act To Reestablish Fairness in Corporate Taxation by Taxing Real Estate Investment Trusts	ONTP
LD 2145	An Act To Conform the Maine Tax Laws for 2007 to the United States Internal Revenue Code	DIED BETWEEN HOUSES
LD 2319	An Act To Promote Filmmaking in the State	DIED BETWEEN HOUSES

Miscellaneous Taxes

Enacted

LD 531	An Act To Improve the Method of Taxing Natural Gas for Highway Use	PUBLIC 650
LD 2097	An Act To Clarify the Exemption of Retail Sales of Kerosene from the Sales Tax	PUBLIC 675
LD 2276	An Act To Improve the Administration of State-Municipal Revenue Sharing	PUBLIC 662

Not Enacted

LD 1155	An Act To Include Fuel Economy when Calculating the Excise Tax on Motor Vehicles	ONTP
LD 1556	An Act To Recouple Maine Estate Tax with Federal Estate Tax	DIED ON ADJOURNMENT
LD 1725	An Act To Modernize the Alcohol Tax by Imposing It on a Per Drink Basis	ONTP
LD 2100	An Act To Exempt from Gasoline Tax at the Time of Sale Fuel Used for Off-road Commercial Uses	ACCEPTED ONTP REPORT
LD 2228	Resolve, To Provide a Rebate of Diesel Fuel Taxes Paid by Maine's Forest Products Industry	DIED ON ADJOURNMENT
LD 2270	An Act To Change the Formula for Calculation of the Motor Vehicle Excise Tax	ACCEPTED ONTP REPORT

Property Tax - Current Use

Enacted

LD 543	Resolve, To Direct a Review of Issues Concerning the Maine Tree Growth Tax Law	RESOLVE 197
LD 2274	An Act To Amend the Municipal Tree Growth Reimbursement Formula	PUBLIC 639

Not Enacted

LD 530	An Act To Encourage Open Space through Current Use Taxation of Open Space Land Set Aside for Long-term Protection from Development	ONTP
LD 1298	An Act To Amend the Definition of "Working Waterfront Land" To Include Land Used for Marine Trades	ONTP

Property Tax - Exemptions

Not Enacted

LD 1001	An Act To Eliminate the Property Tax on Business Equipment Owned by Small Retailers	DIED ON ADJOURNMENT
LD 2099	An Act To Provide Property Tax Relief to Maine Veterans	DIED ON ADJOURNMENT

Property Tax - General

Enacted

LD 885	An Act To Implement the Recommendations of the Commission To Study the Costs of Providing Certain Services in the Unorganized Territories	PUBLIC 541
LD 1413	Resolve, To Review the Law Governing Municipal Service Charges for Tax-exempt Property	RESOLVE 146
LD 2140	An Act To Protect Parties to Real Estate Transactions	PUBLIC 687
LD 2144	Resolve, Authorizing the State Tax Assessor To Convey the Interest of the State in Certain Real Estate in the Unorganized Territory	RESOLVE 185
LD 2202	An Act To Allow a Municipality To Adopt a Program To Provide Property Tax Benefits to Senior Citizens	PUBLIC 635
LD 2217	Resolve, Authorizing the State Tax Assessor To Sell a Certain Parcel of Land in the Unorganized Territory	RESOLVE 214
LD 2251	An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2008-09 and To Require Notation of Tax Enhancement Programs Approved by the County Commissioners	PUBLIC 636 EMERGENCY

Not Enacted

*Property Tax - Valuation*Not Enacted

LD 276

RESOLUTION, Proposing an Amendment to the Constitution of
Maine To Require the Legislature To Freeze the Valuation of Maine
Primary Residence Land

ONTP

*Property Tax Relief Programs*Enacted

LD 2222

Resolve, To Assist Maine's Forest Products Industry

RESOLVE 218
EMERGENCY

LD 2305

An Act To Restore Benefits under the Circuitbreaker Program

PUBLIC 700
EMERGENCYNot Enacted

LD 1972

An Act To Provide Property Tax Relief

DIED ON
ADJOURNMENT

LD 2310

An Act To Permit Persons 65 Years of Age or Older To Defer
Payment of Property TaxesDIED ON
ADJOURNMENT*Sales Tax*Enacted

LD 1976

An Act To Enhance Economic Development in Maine's Aviation
Industry

PUBLIC 691

LD 2005

An Act To Clarify the Sales Tax on Prepared Meals

PUBLIC 529

LD 2225

An Act To Provide Tax Relief to Maine's Forest Products Industry

PUBLIC 658
EMERGENCYNot Enacted

LD 788

An Act To Dedicate 20 Percent of the Sales Tax on Motor Vehicles
to the Highway FundACCEPTED
ONTP REPORT

LD 1094

An Act To Exempt from the Sales Tax Water Used in Agricultural
ProductionDIED ON
ADJOURNMENT

LD 1214

An Act To Improve the Competitiveness of Maine's Boat Building
IndustryDIED ON
ADJOURNMENT

LD 1772 **An Act To Require Nonresidents To Pay Sales Tax on Snowmobiles and ATVs** ONTP

Tax Increment Financing

Not Enacted

LD 2229 **An Act To Expand the Economic Development Benefit of Tax Increment Financing in Counties That Include Unorganized Territories** ONTP

Tax Reform - Restructuring

Not Enacted

LD 1109 **Resolve, To Establish a Study Commission To Reform Taxes and Spending in Maine** ONTP

LD 1833 **An Act To Provide Property Tax and Income Tax Relief** ONTP

Tax Reform - Tax and Spending Limits

Not Enacted

LD 961 **An Act To Authorize an Alternative Calculation of the Property Growth Factor for Industrial Municipalities** ONTP

LD 1582 **An Act Reduce Maine's Tax Burden over a 10-year Period** ONTP

**JOINT STANDING COMMITTEE ON
TAXATION**

Summary of Committee Actions

I. BILLS AND PAPERS CONSIDERED	<u>Number</u>	<u>% of Comm Activity</u>	<u>% of All Bills/Papers</u>
A. Bills referred to Committee			
<i>Bills referred and voted out</i>	28	51.9%	5.0%
<u><i>Bills Carried Over from previous session</i></u>	<u>26</u>	<u>48.1%</u>	<u>4.6%</u>
Total Bills referred	54	100.0%	9.6%
B. Bills reported out by law or joint order	0	0.0%	0.0%
Total Bills considered by Committee	54	100.0%	9.6%
Orders and Resolutions referred to Committee			
<i>Joint Study Orders referred and voted out</i>	0	0.0%	0.0%
<i>Joint Resolutions referred and voted out</i>	0	0.0%	0.0%
<u><i>Orders and Resolutions Carried Over</i></u>	<u>0</u>	<u>0.0%</u>	<u>0.0%</u>
Total Orders and Resolutions Referred	0	0.0%	0.0%
II. COMMITTEE REPORTS	<u>Number</u>	<u>% of this Committee's Reports</u>	<u>% of All Committee Reports</u>
A. Unanimous committee reports			
<i>Ought to Pass</i>	0	0.0%	0.0%
<i>Ought to Pass as Amended</i>	23	43.4%	4.3%
<i>Ought to Pass as New Draft</i>	0	0.0%	0.0%
<u><i>Ought Not to Pass</i></u>	<u>13</u>	<u>24.5%</u>	<u>2.4%</u>
Total unanimous reports	36	67.9%	6.8%
B. Divided committee reports			
<i>Two-way reports</i>	17	32.1%	3.2%
<i>Three-way reports</i>	0	0.0%	0.0%
<u><i>Four-way reports</i></u>	<u>0</u>	<u>0.0%</u>	<u>0.0%</u>
Total divided reports	17	32.1%	3.2%
Total committee reports	53¹	98.1%	10.0%
III. CONFIRMATION HEARINGS	0	N/A	N/A
IV. FINAL DISPOSITION	<u>Number</u>	<u>% of Comm Bills/Papers</u>	<u>% of All Bills/Papers</u>
A. Bills and Papers enacted or finally passed			
<i>Joint Study Orders</i>	0	0.0%	0.0%
<i>Public laws</i>	17	31.5%	3.0%
<i>Private and Special Laws</i>	0	0.0%	0.0%
<i>Resolves</i>	6	11.1%	1.1%
<u><i>Constitutional Resolutions</i></u>	<u>0</u>	<u>0.0%</u>	<u>0.0%</u>
Total Enacted or Finally Passed	23	42.6%	4.1%
B. Resolves to authorize major substantive rules			
<i>Rules authorized without legislative changes</i>	0	0.0%	0.0%
<i>Rules authorized with legislative changes</i>	0	0.0%	0.0%
<u><i>Rules not authorized by the Legislature</i></u>	<u>0</u>	<u>0.0%</u>	<u>0.0%</u>
Total number of rules reviewed	0	0.0%	0.0%
C. Bills vetoed or held by Governor			
<i>Vetoed over-ridden</i>	0	0.0%	0.0%
<i>Vetoed sustained</i>	0	0.0%	0.0%
<u><i>Held by the Governor</i></u>	<u>0</u>	<u>0.0%</u>	<u>0.0%</u>
Total	0	0.0%	0.0%

¹ Total number of committee reports does not include one bill, LD 1972, that was referred to the committee, but was not reported out.
Note: A committee vote on a bill is not included here if the bill was subsequently re-referred to another committee or recommitted and carried over.