

STATE OF MAINE
125TH LEGISLATURE
SECOND REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

JOINT STANDING COMMITTEE ON TAXATION

June 2012

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Joint Standing Committee on Taxation

**LD 52 An Act To Dedicate a Percentage of the Sales and Use Tax on
Automobiles and Motorcycles to the Highway Fund**

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CEBRA THOMAS	OTP-AM MAJ ONTP MIN	H-694

This bill was carried over from the First Regular Session of the 125th Legislature.

This bill provides that 20% of the sales or use tax on motor vehicles and motor vehicle parts must be transferred to the Highway Fund beginning in 2012.

Committee Amendment "A" (H-694)

This amendment provides that 20% of the sales or use tax on automobiles and motorcycles, rather than on motor vehicles and motor vehicle parts as in the bill, must be transferred to the Highway Fund beginning in 2013, rather than in 2012 as in the bill. The amendment also adds an appropriations and allocations section.

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

**LD 205 An Act To Provide a Sales Tax Exemption to Incorporated Nonprofit
Performing Arts Organizations**

**VETO
SUSTAINED**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GERZOFSKY	OTP-AM MAJ ONTP MIN	S-342 ROSEN R S-90

This bill was carried over from the First Regular Session of the 125th Legislature.

This bill provides a sales tax exemption for sales to incorporated nonprofit performing arts organizations.

Committee Amendment "A" (S-90)

This amendment adds an effective date of October 1, 2011.

Senate Amendment "A" To Committee Amendment "A" (S-342)

This amendment changes the effective date from October 1, 2011 to October 1, 2012.

This bill was enacted in the First Regular Session of the 125th Legislature, but was held by the Governor. In the Second Regular Session, the Governor vetoed this bill. The veto was sustained by the Legislature on January 10, 2012.

Joint Standing Committee on Taxation

LD 234 An Act To Provide a Sales Tax Exemption to Commercial Horticulturists

**DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HARVELL	OTP-AM	H-687

This bill was carried over from the First Regular Session of the 125th Legislature.

This bill makes the following changes to the sales and use tax law with respect to commercial agriculture.

1. It enacts a definition of "commercial agricultural production" and specifies that it includes greenhouse and nursery products.
2. It specifies that the sales tax exemption contained in current law applies to products used in commercial agricultural production.

Committee Amendment "B" (H-687)

This amendment adds an emergency preamble and emergency clause to the bill. It removes redundant language related to exempting from the sales tax products used in the commercial production of livestock. The amendment requires the joint standing committee of the Legislature having jurisdiction over taxation matters to conduct, no later than February 1, 2017, a review to determine whether the sales tax exemption for those products used in commercial agricultural production of greenhouse or nursery products should be continued, repealed or modified. See LD 1746, Part N.

Senate Amendment "A" To Committee Amendment "B" (S-593)

This amendment strikes the bill and Committee Amendment "B". It requires a retail seller that does not maintain a place of business in the State but makes retail sales or solicits orders through salespeople, independent contractors, representatives or affiliates that exceed a minimum threshold to register with the State Tax Assessor and collect sales tax. The amendment establishes a presumption that a seller is soliciting business through a salesperson, independent contractor, representative or affiliate if that seller enters into an agreement with a resident of the State under which the resident, for a commission or other consideration, directly or indirectly refers potential customers, whether by a link on a website or otherwise, to the seller, if the cumulative gross receipts from sales by the seller to customers in the State who are referred to the seller by all residents with this type of agreement with the seller exceed \$10,000 during the preceding 4 quarterly filing periods. The amendment permits a seller to rebut the presumption that the seller is required to register and collect taxes by demonstrating the resident with whom the seller has an agreement did not engage in solicitation during the preceding 4 quarterly filing periods. It prohibits the State Tax Assessor from collecting taxes from a seller with a presumed nexus for periods before October 1, 2012, if the seller registers and begins to collect tax by that date.

This amendment was adopted in the Senate, but it was not adopted in the House.

House Amendment "A" To Committee Amendment "B" (H-978)

This amendment replaces the statutory changes in the committee amendment with a resolve directing the Department of Administrative and Financial Services, Bureau of Revenue Services to convene a working group to study the issues involved in the application of the sales tax to retailers with an affiliate nexus in the State and directing the bureau to present a report on the issues to the 126th Legislature by January 15, 2013.

Joint Standing Committee on Taxation

This amendment was not adopted.

LD 305 RESOLUTION, Proposing an Amendment to the Constitution of Maine ONTP
To Allow Land and Buildings To Be Assessed Differently

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

This resolution was carried over from the First Regular Session of the 125th Legislature.

This resolution proposes to amend the Constitution of Maine to allow land to be assessed at a rate different from the rate at which buildings located on that land are assessed.

LD 338 An Act To Provide an Income Tax Credit for Persons Engaged in VETO
Commercial Forestry SUSTAINED

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
JACKSON	ONTP MAJ OTP-AM MIN	S-367 ROSEN R

This bill allows an income tax credit to an employer in the logging industry that employs residents of the State who are engaged primarily in the harvesting of timber in this State. The credit is equal to \$2,500 for each full-time equivalent employee.

Committee Amendment "A" (S-41)

This amendment is the minority report. It changes the bill by reducing the income tax credit to an employer in the logging industry that employs residents of the State who are engaged primarily in the harvesting of timber in this State to \$250 for each employee who is employed full-time. It also adds an application date and an appropriations and allocations section. This amendment was not adopted.

Senate Amendment "A" (S-367)

This amendment replaces the per employee income tax credit to an employer in the logging industry that employs residents of the State to harvest timber in this State with a credit equal to the tax paid during the taxable year on fuel used by the employer for commercial forestry up to a maximum credit of \$1,000. The amendment also delays the application to tax years beginning on or after January 1, 2013 and adds an appropriations and allocations section.

This bill was enacted in the First Regular Session of the 125th Legislature, but was held by the Governor. In the Second Regular Session, the Governor vetoed this bill. The veto was sustained by the Legislature on January 10, 2012.

Joint Standing Committee on Taxation

**LD 590 An Act To Codify the Review Practice of Certain Changes in the
Application of the Sales and Use Tax Law**

PUBLIC 503

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CHASE SHERMAN	OTP-AM	H-718

This bill was carried over from the First Regular Session of the 125th Legislature.

This bill requires the State Tax Assessor to report to the joint standing committee of the Legislature having jurisdiction over taxation matters prior to implementing any change in policy application or practice of the Department of Administrative and Financial Services, Bureau of Revenue Services regarding the sales and use tax if that change will result in additional revenue. The joint standing committee of the Legislature having jurisdiction over taxation matters is authorized to report out legislation reversing or modifying the change.

Committee Amendment "C" (H-718)

This amendment changes the title and replaces the bill. It codifies and expands upon previously enacted but unallocated law and the current practice of the Department of Administrative and Financial Services, Bureau of Revenue Services related to implementing a significant change in policy, practice or interpretation of the sales and use tax law that would result in additional revenue. It requires the bureau to consult with the Office of the Attorney General to determine if the change should be reviewed by the appropriate legislative committee of oversight prior to implementation. The amendment requires the bureau to notify the committee chairs at least 45 days prior to the implementation of the change in policy, practice or interpretation of the sales and use tax law, if reasonably practicable. It requires the bureau to report annually to the joint standing committee of the Legislature having jurisdiction over taxation matters on the consultation process and to summarize the issues as permitted by law. It also specifies that the provisions proposed in this amendment establish a procedural consultation and reporting requirement to assist routine legislative oversight and do not affect the validity of any assessment or tax liability under current law.

Enacted Law Summary

Public Law 2011, chapter 503 codifies and expands upon previously enacted but unallocated law and the current practice of the Department of Administrative and Financial Services, Bureau of Revenue Services related to implementing a significant change in policy, practice or interpretation of the sales and use tax law that would result in additional revenue. It requires the bureau to consult with the Office of the Attorney General to determine if the change should be reviewed by the appropriate legislative committee of oversight prior to implementation. It requires the bureau to notify the committee chairs at least 45 days prior to the implementation of the change in policy, practice or interpretation of the sales and use tax law, if reasonably practicable. It requires the bureau to report annually to the joint standing committee of the Legislature having jurisdiction over taxation matters on the consultation process and to summarize the issues as permitted by law.

Joint Standing Committee on Taxation

LD 835 An Act To Strengthen Maine's Economy through Improvements to the Educational Opportunity Tax Credit

PUBLIC 665

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KNIGHT SNOWE-MELLO	OTP-AM A OTP-AM B ONTP C	H-703 H-814 KESCHL H-844 DAMON

This bill was carried over from the First Regular Session of the 125th Legislature.

This bill amends the educational opportunity tax credit by removing restrictions on the term of eligible loans and by making the tax credit refundable.

Committee Amendment "B" (H-703)

This amendment, which is the majority report, replaces the bill and makes the following changes to the educational opportunity tax credit.

1. Beginning January 1, 2013, it allows an individual who transfers to an accredited Maine community college, college or university after completing up to 30 credit hours of course work at a non-Maine accredited community college, college or university to be eligible for a portion of the tax credit created to implement the Job Creation Through Educational Opportunity Program.
2. It provides that an individual may claim the educational opportunity tax credit only with respect to loans that are part of that individual's financial aid package and that are entered into before July 1, 2023.
3. It makes the credit refundable for a Job Creation Through Educational Opportunity Program participant entitled to the credit.
4. It allows an employer to claim the credit if a qualified employee meets all eligibility criteria for a Job Creation Through Educational Opportunity Program participant except that the qualified employee's associate degree or bachelor's degree was awarded by an accredited non-Maine community college, college or university.
5. It requires all Maine community colleges, colleges and universities to report to the Department of Education by February 1, 2021 on efforts to promote and enroll individuals in the Job Creation Through Educational Opportunity Program and to train admissions and financial aid staff about the program.
6. It requires the Department of Education and the Department of Administrative and Financial Services, Bureau of Revenue Services to report by March 1, 2021 to the joint standing committee of the Legislature having jurisdiction over education and cultural affairs and the joint standing committee of the Legislature having jurisdiction over taxation matters.
7. It requires the joint standing committee of the Legislature having jurisdiction over taxation matters to review the educational opportunity tax credit by June 1, 2021. The committee is required to consider information provided by the Department of Administrative and Financial Services, Bureau of Revenue Services and the Department of Education to determine whether the credit should be retained, modified or repealed.

Committee Amendment "C" (H-704)

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This amendment, which is a minority report, is exactly the same as the majority report except the credit is not refundable. This amendment was not adopted.

House Amendment "A" To Committee Amendment "B" (H-814)

This amendment makes the education opportunity tax credit refundable for program participants who obtain an associate degree or bachelor's degree in science, technology, engineering or mathematics.

House Amendment "B" To Committee Amendment "B" (H-844)

This amendment allows an individual who is domiciled in Maine but who is deployed for military service to be eligible for the educational opportunity tax credit as long as all the other qualifications are met.

Enacted Law Summary

Public Law 2011, chapter 665 makes the following changes to the tax credit created to implement the Job Creation Through Educational Opportunity Program.

1. Beginning January 1, 2013, it allows an individual who transfers to an accredited Maine community college, college or university after completing up to 30 credit hours of course work at a non-Maine accredited community college, college or university to be eligible for a portion of the tax credit.
2. It allows an individual who is domiciled in Maine but who is deployed for military service to be eligible for the credit.
3. It makes the credit refundable for a participant entitled to the credit who obtains a degree in science, technology, engineering or mathematics.
4. It allows an employer to claim the tax credit if a qualified employee meets all eligibility criteria except that the employee's degree was awarded by an accredited non-Maine community college, college or university.
5. It provides a sunset date by requiring that the tax credit applies to loans that are part of the eligible individual's financial aid package entered into before July 1, 2023.
6. It requires all Maine community colleges, colleges and universities to report to the Department of Education by February 1, 2021 on efforts to promote and enroll individuals in the Job Creation Through Educational Opportunity Program and to train admissions and financial aid staff about the program.
7. It requires the Department of Education and the Department of Administrative and Financial Services, Bureau of Revenue Services to report to the Joint Standing Committee on Education and Cultural Affairs and the Joint Standing Committee on Taxation by March 1, 2021.
8. It requires the Joint Standing Committee on Taxation to review the educational opportunity tax credit by June 1, 2021, and consider information provided by the Department of Administrative and Financial Services, Bureau of Revenue Services and the Department of Education to determine whether the credit should be retained, modified or repealed.

Joint Standing Committee on Taxation

LD 849 An Act To Provide Tax Relief for Maine's Citizens by Reducing Income Taxes

PUBLIC 692

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TRAHAN	OTP-AM MAJ ONTP MIN	S-427 S-443 COURTNEY S-596 ROSEN R

This bill was carried over from the First Regular Session of the 125th Legislature.

This bill provides tax relief for Maine's citizens by reducing income taxes paid by Maine citizens. The bill requires that revenue exceeding the General Fund appropriation limitation and unappropriated surplus of the General Fund be used to gradually increase by 20% the income bracket thresholds at which higher income tax rates apply and to reduce the highest income tax rates from 8.5% and 7% to 6.5%.

Committee Amendment "C" (S-427)

This amendment replaces the bill. It removes the requirement proposed in the bill that revenue exceeding the General Fund appropriation limitation and unappropriated surplus of the General Fund be applied to gradually increase by 20% the income bracket thresholds at which higher income tax rates apply. The amendment requires that a portion of revenue exceeding the General Fund appropriation limitation and unappropriated surplus of the General Fund be used to gradually reduce the tax rates to 4% instead of 6.5% as proposed in the bill.

Senate Amendment "C" To Committee Amendment "C" (S-443)

This amendment requires that the Circuitbreaker Program be fully funded prior to using the Tax Relief Fund for Maine Residents to reduce income tax rates.

Senate Amendment "F" To Committee Amendment "C" (S-596)

This amendment decreases the percentage of excess revenue that is transferred to the Tax Relief Fund for Maine Residents from 40% to 20% and revises the percentages of excess revenue that are transferred to certain other accounts in the cascade. In addition, this amendment makes a technical correction to clarify that the amount to be transferred to the Tax Relief Fund for Maine Residents is based on the amount by which General Fund budgeted revenue exceeds the General Fund appropriation limitation for that fiscal year.

Enacted Law Summary

Public Law 2011, chapter 692 requires that a portion of revenue exceeding the General Fund appropriation limitation and unappropriated surplus of the General Fund be used to gradually reduce the tax rates to 4%. It requires that the Circuitbreaker Program be fully funded prior to using the Tax Relief Fund for Maine Residents to reduce income tax rates.

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**LD 876 An Act To Convert Vacant Commercial Property to Occupied
Commercial Property**

ONTP

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

This bill was carried over from the First Regular Session of the 125th Legislature. This bill is a concept draft pursuant to Joint Rule 208.

It proposes to modify the tax laws to provide incentives that will encourage the improvement of unoccupied commercial property in order to attract tenants and stimulate business development.

**LD 1138 An Act To Amend the Maine Tree Growth Tax Law and the Open
Space Tax Law**

PUBLIC 618

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KNIGHT LANGLEY	OTP-AM MAJ ONTP MIN	H-859

This bill was carried over from the First Regular Session of the 125th Legislature.

This bill requires the State Tax Assessor to impose a \$100 administrative penalty on a landowner enrolled in the Maine Tree Growth Tax Law program if the landowner fails to file a forest management and harvest plan by the later of the end of the 10-year period and the end of the 120-day notice period given by the assessor to notify the landowner that a plan is needed. If the landowner still does not file a plan within one year of the end of the 10-year deadline, then the assessor is required to withdraw the land from the tree growth tax program and assess a withdrawal penalty. This bill also repeals the 15,000-acre cap on land enrolled in the farm and open space tax law program to allow easier transfer of property between that program and the tree growth tax law program.

Committee Amendment "A" (H-859)

This amendment replaces the bill and changes the title. The amendment does the following.

1. It provides that, on or after August 1, 2012, an owner seeking classification under the Maine Tree Growth Tax Law program for a parcel of land that contains a structure for which a minimum lot size is required under state law or by municipal ordinance, the owner must exclude from the owner's schedule the area of land containing the structure, which may be no less than 1/2 acre. For a parcel of land that contains a residential structure in a shoreland area, the owner must exclude the area of land containing the structure, which may be no less than 1/2 acre, and the excluded parcel must include 100 feet of shoreland frontage or the minimum shoreland frontage required by the applicable minimum requirements of the zoning ordinance for the area in which the land is located, whichever is larger.
2. It requires, beginning August 1, 2012, that landowners in the Maine Tree Growth Tax Law program attest at the time of enrollment and at each update of the forest management and harvest plan that the primary use of the enrolled property is commercial timber harvesting or forest land that cannot be excluded from tree growth classification by statute.

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3. It creates a multiple-step process for notification and imposing penalties when a landowner fails to comply with the requirement to update the forest management and harvest plan every 10 years. The process requires up to 3 notifications sent by certified mail. It allows the assessor to impose a \$500 fine if the landowner misses the initial deadline and a subsequent \$500 penalty if the landowner has not met the requirement within 6 months. If the landowner has not complied with the requirement to update the plan or transferred the land to open space classification within an additional 6 months, the land will be withdrawn from the Maine Tree Growth Tax Law program and a penalty assessed pursuant to the Maine Revised Statutes, Title 36, section 581.
4. It creates an additional category under the alternative valuation method of open space land assessment providing for an additional reduction of 10% for a landowner who provides and complies with a forest management and harvest plan. It provides that a landowner who fails to comply with the plan as required under the open space tax program loses the additional percentage for 10 years.
5. It requires that, for property transferred from the Maine Tree Growth Tax Law program to the open space tax program and subsequently withdrawn from all current use tax programs entirely, the tree growth withdrawal penalty rather than the open space withdrawal penalty applies for the first 10 years after transfer.
6. It clarifies that any property within the unorganized territory that was withdrawn from classification under the Maine Tree Growth Tax Law between September 20, 2007 and July 1, 2010 and returned to tree growth classification pursuant to Public Law 2009, chapter 577, section 3 is for all purposes deemed not to have been withdrawn from tree growth classification during that period of time.

Enacted Law Summary

Public Law 2012, chapter 618 does the following.

1. It provides that, on or after August 1, 2012, an owner seeking classification under the Maine Tree Growth Tax Law program for a parcel of land that contains a structure for which a minimum lot size is required under state law or by municipal ordinance, the owner must exclude from the owner's schedule the area of land containing the structure, which may be no less than 1/2 acre. For a parcel of land that contains a residential structure in a shoreland area, the owner must exclude the area of land containing the structure, which may be no less than 1/2 acre, and the excluded parcel must include 100 feet of shoreland frontage or the minimum shoreland frontage required by the applicable minimum requirements of the zoning ordinance for the area in which the land is located, whichever is larger.
2. It requires, beginning August 1, 2012, that landowners in the Maine Tree Growth Tax Law program attest at the time of enrollment and at each update of the forest management and harvest plan that the primary use of the enrolled property is commercial timber harvesting or forest land that cannot be excluded from tree growth classification by statute.
3. It creates a multiple-step process for notification and imposing penalties when a landowner fails to comply with the requirement to update the forest management and harvest plan every 10 years. The process requires up to 3 notifications sent by certified mail. It allows the assessor to impose a \$500 fine if the landowner misses the initial deadline and a subsequent \$500 penalty if the landowner has not met the requirement within 6 months. If the landowner has not complied with the requirement to update the plan or transferred the land to open space classification within an additional 6 months, the land will be withdrawn from the Maine Tree Growth Tax Law program and a penalty assessed pursuant to the Maine Revised Statutes, Title 36, section 581.
4. It creates an additional category under the alternative valuation method of open space land assessment providing for an additional reduction of 10% for a landowner who provides and complies with a forest management and harvest plan. It provides that a landowner who fails to comply with the plan as required under the open space tax program loses the additional percentage for 10 years.

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5. It requires that, for property transferred from the Maine Tree Growth Tax Law program to the open space tax program and subsequently withdrawn from all current use tax programs entirely, the tree growth withdrawal penalty rather than the open space withdrawal penalty applies for the first 10 years after transfer.

6. It clarifies that any property within the unorganized territory that was withdrawn from classification under the Maine Tree Growth Tax Law between September 20, 2007 and July 1, 2010 and returned to tree growth classification pursuant to Public Law 2009, chapter 577, section 3 is for all purposes deemed not to have been withdrawn from tree growth classification during that period of time.

LD 1164 An Act To Support Maine Farms and Alleviate Hunger

**DIED ON
ADJOURNMENT**

Sponsor(s)

DION
ALFOND

Committee Report

OTP-AM MAJ
ONTP MIN

Amendments Adopted

H-710

This bill was carried over from the First Regular Session of the 125th Legislature.

This bill provides an income tax credit up to \$5,000 to persons engaged in commercial agricultural production for donations of food to incorporated nonprofit organizations that provide free food to low-income individuals for the purpose of alleviating hunger.

Committee Amendment "A" (H-710)

This amendment changes the bill by reducing the maximum amount of the income tax credit for a donation of agricultural products to \$2,500 and making the credit nonrefundable. It clarifies that an organization receiving the donated food must be exempt from federal income tax under Section 501(c) of the federal Internal Revenue Code or a nonprofit corporation organized under the Maine Revised Statutes, Title 13-B and may not charge a fee for the food or require any other type of compensation. It provides a definition of "low-income individual," clarifies how fair market value of the donation will be determined and prohibits a taxpayer that has claimed a federal deduction for a charitable contribution for the same donation from claiming the credit. It provides for a review of the tax credit by the joint standing committee of the Legislature having jurisdiction over taxation matters no later than April 1, 2018 to determine whether the credit should be continued, repealed or modified. It provides that the changes apply to tax years beginning on or after January 1, 2013.

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

LD 1225 An Act To Create an Income Tax Return Checkoff To Fund Cancer Screening, Detection and Prevention

**DIED BETWEEN
HOUSES**

Sponsor(s)

STRANG BURGESS
RAYE

Committee Report

ONTP MAJ
OTP-AM MIN

Amendments Adopted

This bill was carried over from the First Regular Session of the 125th Legislature.

This bill creates a checkoff on the income tax form to allow tax filers to donate to the Comprehensive Cancer

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Screening, Detection and Prevention Fund for funding the cancer prevention and control program.

Committee Amendment "A" (H-712)

This amendment, which is the minority report, incorporates an appropriations and allocations section. This amendment was not adopted.

**LD 1470 An Act To Evaluate the Harvesting of Timber on Land Taxed under the PUBLIC 619
Maine Tree Growth Tax Law**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RAYE	OTP-AM MAJ ONTP MIN	S-441

This bill was carried over from the First Regular Session of the 125th Legislature. This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to ensure that future applicants for classification of land under the Maine Tree Growth Tax Law are eligible only if they are actually engaged in harvesting timber and not using the land as a property tax shelter without harvesting.

Committee Amendment "A" (S-441)

This amendment replaces the bill, which was a concept draft, and changes the title. It authorizes the Director of the Bureau of Forestry within the Department of Conservation to conduct periodic random sampling of land enrolled under the Maine Tree Growth Tax Law and assess overall compliance with the law as well as differences in compliance based on property location. It allows the director or the director's designee to examine forest land and review the forest management and harvest plan, or an expired plan, upon request when the director is conducting random sampling. This amendment provides that the information collected is confidential, except that the director is required to publish at least one summary report that does not reveal the activities of any person or business entity and that must be available as a public record. It also requires the director to provide a report that includes findings and recommendations to the joint standing committee of the Legislature having jurisdiction over taxation matters no later than March 1, 2014. This amendment provides that the provision authorizing the random sampling and report is repealed on December 31, 2014.

Enacted Law Summary

Public Law 2011, chapter 619 authorizes the Director of the Bureau of Forestry within the Department of Conservation to conduct periodic random sampling of land enrolled under the Maine Tree Growth Tax Law and assess overall compliance with the law as well as differences in compliance based on property location. It allows the director or the director's designee to examine forest land and review the forest management and harvest plan, or an expired plan, upon request when the director is conducting random sampling. It provides that the information collected is confidential, except that the director is required to publish at least one summary report that does not reveal the activities of any person or business entity and that must be available as a public record. It also requires the director to provide the summary report, including findings and recommendations, to the joint standing committee of the Legislature having jurisdiction over taxation matters no later than March 1, 2014. The law provides that the provision authorizing the random sampling and report is repealed on December 31, 2014.

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LD 1535 Resolve, Directing the Department of Administrative and Financial Services, Bureau of Revenue Services To Develop a Pilot Project for a Tax Simulation Model for State Dynamic Fiscal Analysis

RESOLVE 114

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KNIGHT TRAHAN	OTP-AM	H-685

This bill was carried over from the First Regular Session of the 125th Legislature.

This bill requires the Department of Administrative and Financial Services, Bureau of Revenue Services and the Office of Fiscal and Program Review to prepare a dynamic fiscal note for any legislation that involves a tax expenditure or an increase or decrease in tax revenue resulting in a projected direct annual revenue impact of more than \$1,000,000. The dynamic fiscal note must include an analysis of the anticipated effects of any significant behavioral changes expected as a result of the legislation, excluding those reflected in the standard fiscal note, and must analyze any significant secondary and indirect economic effects of the legislation, including the effects on jobs, incomes and capital investment as well as the overall effect on the State's economy. Dynamic fiscal notes are for informational purposes only.

Committee Amendment "A" (H-685)

This amendment changes the bill to a resolve and changes the title. It requires the Department of Administrative and Financial Services, Bureau of Revenue Services to undertake a pilot project to develop and evaluate a tax simulation model for state dynamic fiscal analysis. It allows the bureau to enter into a memorandum of understanding with the University of Maine for the development and evaluation of the pilot project model and it provides an exemption from certain confidentiality requirements related to taxpayer information in order to complete this work. It requires the bureau and the Office of Fiscal and Program Review to submit a joint report with findings and recommendations to the Joint Standing Committee on Taxation by November 15, 2012.

Enacted Law Summary

Resolve 2011, chapter 114 requires the Department of Administrative and Financial Services, Bureau of Revenue Services to undertake a pilot project to develop and evaluate a tax simulation model for state dynamic fiscal analysis. It allows the bureau to enter into a memorandum of understanding with the University of Maine for the development and evaluation of the pilot project model and it provides an exemption from certain confidentiality requirements related to taxpayer information in order to complete this work. It requires the bureau and the Office of Fiscal and Program Review to submit a joint report with findings and recommendations to the Joint Standing Committee on Taxation by November 15, 2012.

LD 1610 An Act To Amend the Law Regarding the Sale of Wood Pellets and Wood

**PUBLIC 670
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MCKANE THOMAS	OTP-AM MAJ OTP-AM MIN	H-937

Currently, in order to qualify for the sales tax exemption on the purchase of wood pellets for residential use, customers purchasing more than 200 pounds of wood pellets for residential cooking or heating must sign an affidavit

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or a log. This bill increases the amount of wood pellets presumed to meet the requirement of residential use, and thus to qualify for the sales tax exemption, from 200 pounds to 2,000 pounds.

Committee Amendment "A" (H-727)

This amendment is the majority report of the committee and replaces the bill. This amendment changes the amount of wood pellets presumed to meet the requirement of residential use, and thus to qualify for the sales tax exemption, to 1,000 pounds rather than 2,000 pounds as proposed in the bill. It also provides a presumption of residential use for the purchase of wood. Currently, wood purchased for residential use when bought for cooking and heating is exempt from sales tax. Under this amendment it is presumed that a person who purchases less than a cord of wood is purchasing the wood for residential use for cooking or heating.

Although not adopted, this amendment is incorporated in the Committee of Conference amendment (H-937).

Committee Amendment "B" (H-728)

This amendment is the minority report of the committee and is the same as the majority report except it changes the amount of wood pellets presumed to meet the residential use requirement to 400 pounds rather than 1,000 pounds as proposed by the majority report amendment.

This amendment was not adopted.

House Amendment "A" To Committee Amendment "A" (H-755)

This amendment removes the limit on the amount of wood pellets presumed to be intended for residential use for purposes of sales tax exemption.

Although not adopted, this amendment is incorporated in the Committee of Conference amendment (H-937).

Senate Amendment "A" To Committee Amendment "A" (S-450)

This amendment requires the Maine State Housing Authority to amend its rules governing the awarding of contracts to suppliers of wood pellets to give preference to a supplier of wood pellets that is incorporated under the laws of, and has its principal place of business within, a state in the United States of America.

Although not adopted, this amendment is incorporated in the Committee of Conference amendment (H-937).

Committee of Conference Amendment "B" (H-937)

This amendment incorporates all of the substance of Committee Amendment "A"(H-727), Senate Amendment "A" to Committee Amendment "A" (S-450) and House Amendment "A" to Committee Amendment "A" (H-755). The amendment also clarifies that the preference to United States suppliers of wood pellets is given by the Maine State Housing Authority when all other factors are substantially equal and sets a date of October 1, 2013 as the date when there will be no limit on the amount of wood pellets that are presumed to be intended for residential use for purposes of sales tax exemption.

Enacted Law Summary

The purchase of coal, oil and wood, when bought for residential cooking or heating, is exempt from sales and use tax. Prior to enactment of Public Law, chapter 670 a person purchasing more than 200 pounds wood pellets or of any 100% compressed wood product was required to sign an affidavit or a log kept by the seller to validate the residential use of the purchase in order for the purchaser to receive the sales tax exemption.

Public Law 2011, chapter 670 increases the amount of wood pellets presumed to meet the requirement of residential use from 200 pounds to 1,000 pounds until September 30, 2013. It provides that a purchase of wood pellets in any amount is presumed to meet the requirement of residential use beginning October 1, 2013. It creates a presumption of residential use for a purchase of less than a cord of wood. It also requires the Maine State Housing Authority to,

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when administering the federal low-income Home Energy Assistance Program, give preference to United States suppliers of wood pellets if all other factors are substantially equal.

Public Law 2011, chapter 670 was enacted as an emergency measure effective May 21, 2012.

LD 1641 An Act To Ensure Equal Tax Treatment for Private-pay and ONTP
MaineCare-participating Providers of Residential Care to Persons Who
Are Elderly or Disabled

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

This bill excludes from the service provider tax private nonmedical institutions that provide services reimbursed under MaineCare for persons who are elderly or disabled without specializing in a particular diagnosis.

LD 1653 An Act To Make Fisheries and Wildlife and Marine Resources Projects PUBLIC 675
Eligible for Tax Increment Financing

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RAYE	OTP-AM	S-453

This bill authorizes the use of tax increment financing for fisheries and wildlife projects approved by the Department of Inland Fisheries and Wildlife. Projects must be undertaken for the purpose of improving public access to fisheries and wildlife resources of the State for fishing, hunting, research or observation or for conservation or improvement of the fisheries and wildlife resources of the State.

Committee Amendment "A" (S-453)

This amendment replaces the bill and changes the title. It authorizes the use of tax increment financing for marine resources projects approved by the Department of Marine Resources in addition to projects approved by the Department of Inland Fisheries and Wildlife, as authorized in the bill. It adds marine resources projects to the types of tax increment projects that may be undertaken for the purpose of improving public access to fisheries and to the wildlife resources of the State for fishing, hunting, research or observation or for conservation or improvement of the fisheries and wildlife resources of the State. It requires the Department of Marine Resources to adopt rules for establishing the standards for the approval of marine resources projects eligible for tax increment financing. The amendment also adds an appropriations and allocations section.

Enacted Law Summary

Public Law 2011, chapter 675 authorizes the use of tax increment financing for fisheries and wildlife or marine resources projects approved by the Department of Inland Fisheries and Wildlife or the Department of Marine Resources. Projects must be undertaken for the purpose of improving public access to freshwater or saltwater fisheries and wildlife resources of the State for fishing, hunting, research or observation or for conservation or improvement of the freshwater or saltwater fisheries and wildlife resources of the State.

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LD 1655 An Act To Create a Sales Tax Exemption for the Sale and Delivery of Off-peak Electricity for Electric Thermal Storage Devices

**PUBLIC 673
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
COURTNEY	OTP-AM	S-383

Current law exempts the sale of certain forms of energy, including heating oil, for residential heating, but taxes electricity used to charge electric thermal storage space and water heaters. This bill provides a sales tax exemption for off-peak residential electricity used for water and space heating similar to exemptions provided for other forms of energy.

Committee Amendment "A" (S-383)

This amendment incorporates a fiscal note.

Enacted Law Summary

Public Law 2011, chapter 673 provides a sales tax exemption for off-peak residential electricity used to charge electric thermal storage devices similar to exemptions provided for other forms of energy.

Public Law 2011, chapter 673 was enacted as an emergency measure effective May 21, 2012.

LD 1680 An Act To Amend the Circuitbreaker Program To Include Claimants Occupying Property Pursuant to a Trust and To Require Proof of Payment of Rent

PUBLIC 513

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PLOWMAN	OTP-AM MAJ ONTP MIN	S-407

This bill increases the eligibility in the Circuitbreaker Program by allowing a person to qualify for benefits if that person is occupying a homestead under a trust that allows the person to transfer the property but continue to reside in it as a homestead until some specified future event. It requires a renter applying for benefits under Circuitbreaker Program to provide with the application either a notarized statement signed by the claimant or a letter signed by the claimant's landlord stating that the rent for the year that the Circuitbreaker Program benefit is claimed has been paid in full.

Committee Amendment "A" (S-407)

This amendment clarifies that a person occupying a homestead under a legally binding agreement may transfer the property but continue to reside in it as a home until some specified future event and be eligible to apply for benefits under the Circuitbreaker Program. It requires the State Tax Assessor to adopt routine technical rules to require, for applications filed on or after August 1, 2012, proof of rent paid when the application for benefits under the Circuitbreaker Program is based on rent paid of \$9,000 or more for the year.

Enacted Law Summary

Public Law 2012, chapter 513 clarifies that a person occupying a homestead under a legally binding agreement may transfer the property but continue to reside in it as a home until some specified future event and be eligible to apply

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for benefits under the Circuitbreaker Program. It requires the State Tax Assessor to adopt routine technical rules to require, for applications filed on or after August 1, 2012, proof of rent paid when the application for benefits under the Circuitbreaker Program is based on rent paid of \$9,000 or more for the year.

LD 1693 An Act To Amend the Law Governing Abatements of Property Taxes for Infirmity or Poverty and the Administration of the Circuitbreaker Program

PUBLIC 552

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KESCHL KATZ	OTP-AM	H-754

This bill provides that benefits issued to a property owner under the Circuitbreaker Program are deemed available to contribute to the public charges for the purposes of calculating eligibility at the municipal level for a property tax abatement for reasons of infirmity or poverty. This bill changes the Circuitbreaker Program to specify that the reimbursement benefit is calculated based on the property taxes actually paid by the owner on that owner's homestead, rather than taxes accrued, and requires the claimant to provide proof of payment. It provides that any property taxes abated by a municipality for infirmity or poverty may not be claimed for purposes of calculating a refund under the Circuitbreaker Program.

Committee Amendment "A" (H-754)

This amendment changes the title and replaces the bill. It provides that, for purposes of calculating eligibility at the municipal level for property tax abatement for reasons of poverty or infirmity, municipal officers may set off or otherwise treat as available benefits provided under the Circuitbreaker Program when determining a person's ability to contribute to the public charges. It prohibits a claimant under the Circuitbreaker Program from seeking a refund on property taxes that were abated by a municipality based upon poverty or infirmity by excluding from the definition of "property taxes accrued" any taxes abated in the year for which the claimant is seeking relief.

Enacted Law Summary

Public Law 2011, chapter 552 provides that, for purposes of calculating eligibility at the municipal level for property tax abatement for reasons of poverty or infirmity, municipal officers may set off or otherwise treat as available benefits provided under the Circuitbreaker Program when determining a person's ability to contribute to the public charges. It prohibits a claimant under the Circuitbreaker Program from seeking a refund on property taxes that were abated by a municipality based upon poverty or infirmity by excluding from the definition of "property taxes accrued" any taxes abated in the year for which the claimant is seeking relief.

LD 1699 An Act To Create Excise Tax Equity and Consistency for Buses

PUBLIC 646

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KNAPP	OTP-AM MAJ ONTP MIN	H-724

This bill provides that the motor vehicle excise tax on a bus manufactured in 2006 or after must be based on the purchase price of the bus rather than the maker's list price in the same manner as commercial trucks, truck tractors and special mobile equipment. The bill also provides for reimbursement to municipalities from the Municipal Excise Tax Reimbursement Fund.

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Committee Amendment "A" (H-724)

The amendment adds an appropriations and allocations section to the bill.

Enacted Law Summary

Public Law 2011, chapter 646 provides that the motor vehicle excise tax on a bus manufactured in 2006 or after must be based on the purchase price of the bus rather than the maker's list price in the same manner as commercial trucks, truck tractors and special mobile equipment. It also provides for reimbursement to municipalities from the Municipal Excise Tax Reimbursement Fund.

LD 1730 An Act To Require the Review of Proposed Tax Expenditures

ONTP

Sponsor(s)

Committee Report

Amendments Adopted

ONTP

This bill is the report of the Joint Standing Committee on Taxation pursuant to Title 36, section 199-D.

It creates a review process to be performed by the joint standing committee of the Legislature having jurisdiction over taxation matters prior to the enactment of legislation or approval of a legislative initiative that would result in a new tax expenditure or a change that prolongs or expands an existing tax expenditure. The bill requires that committee to consider the groups and numbers of taxpayers affected, the public policy objectives that provide justification for the proposed tax expenditure, fiscal impact projections related to the proposed tax expenditure, effects the proposed tax expenditure may have on the economy, unintended benefits or negative consequences of the proposed tax expenditure, similar tax expenditures in other states, standards of accountability or reporting requirements related to the proposed tax expenditure, methods for evaluating the proposed tax expenditure and mechanisms for recapturing the proposed tax expenditure if objectives are not fulfilled. The bill requires proposals for a new tax expenditure or a change that prolongs or expands an existing tax expenditure to include a repeal date and a review process for the tax expenditure. The bill requires the joint standing committee of the Legislature having jurisdiction over a proposal for a new tax expenditure or a change that prolongs or expands an existing tax expenditure to seek an advisory opinion from the joint standing committee of the Legislature having jurisdiction over taxation matters prior to enacting legislation or recommending a legislative initiative that would result in a new tax expenditure or a change that prolongs or expands an existing tax expenditure.

LD 1735 An Act To Promote Jobs in the Motor Coach Industry by Providing a Sales Tax Exemption for Certain Buses

PUBLIC 501

Sponsor(s)

Committee Report

Amendments Adopted

RAYE

OTP

This bill modifies Maine's sales and use tax exemption for certain instrumentalities of interstate or foreign commerce to include a bus with a capacity of at least 47 passengers engaged in transporting within the State a bona fide payload of travelers on an interstate or foreign cruise that originates outside the State and terminates outside the State, as long as the transportation is provided pursuant to a contract between the interstate or foreign cruise provider and the person providing the transportation.

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Enacted Law Summary

Public Law 2011, chapter 501 modifies Maine's sales and use tax exemption for certain instrumentalities of interstate or foreign commerce to include a bus with a capacity of at least 47 passengers engaged in transporting within the State a bona fide payload of travelers on an interstate or foreign cruise that originates outside the State and terminates outside the State, as long as the transportation is provided pursuant to a contract between the interstate or foreign cruise provider and the person providing the transportation.

LD 1748 An Act To Conform the Maine Tax Laws for 2011 to the United States Internal Revenue Code

**PUBLIC 530
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KNIGHT	OTP	

This bill updates references to the United States Internal Revenue Code of 1986 contained in the Maine Revised Statutes, Title 36 so that they refer to the United States Internal Revenue Code of 1986 as amended through December 31, 2011 for tax years beginning on or after January 1, 2011 and for any prior tax years as specifically provided by the United States Internal Revenue Code of 1986. The bill primarily affects the State's income tax laws.

Enacted Law Summary

Public Law 530 updates references to the United States Internal Revenue Code of 1986 contained in the Maine Revised Statutes, Title 36 so that they refer to the United States Internal Revenue Code of 1986 as amended through December 31, 2011 for tax years beginning on or after January 1, 2011, and for any prior tax years as specifically provided by the United States Internal Revenue Code of 1986.

Public Law 2011, chapter 530 was enacted as an emergency measure effective March 18, 2012.

LD 1749 An Act To Amend the Tax Laws

PUBLIC 644

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KNIGHT	OTP-AM	H-792

This bill makes the following changes to the laws governing taxation.

1. It extends from 30 days to 60 days the period during which a person who has received a demand to file a delinquent tax return must either file the return or request an extension in order to avoid an enhanced penalty.
2. It provides that the weight limitation for a pickup truck or van included in the definition of "automobile" in the sales and use tax law applies to the gross vehicle weight rating of the vehicle.
3. It removes the requirement that persons who rent or lease temporary retail space must file monthly returns reporting those rentals and replaces it with a tax registration certificate and record-keeping requirement. Additionally, the characteristics of the registration certificates are clarified.

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4. It provides that an amount claimed as an income modification for military survivor benefits may not include an amount representing employee retirement benefits for which an income modification is claimed.
5. It provides that any income recognized on a taxpayer's federal tax return from the new markets capital investment credit is subtracted from federal adjusted gross income for state income tax purposes.
6. It provides that certain refundable tax credits are included for purposes of calculating the taxpayer's alternative minimum tax credit.
7. It provides that certain refundable tax credits may be applied to reduce the taxpayer's alternative minimum tax liability.

Committee Amendment "A" (H-792)

This amendment makes additional changes to the laws governing taxation as follows.

1. It clarifies the State Tax Assessor's responsibilities with regard to special fuel tax obligations reported or assessed under the International Fuel Tax Agreement and provides the statutory authority for the further delegation of those responsibilities to the Secretary of State, including the audit of International Fuel Tax Agreement tax returns and the administrative appeal of International Fuel Tax Agreement assessments. It also clarifies that the International Fuel Tax Agreement governing documents referenced in the Maine special fuel tax law include amendments to those documents that have been adopted as of December 31, 2011.
2. It repeals the requirement for the Bureau of Revenue Services to submit to the Legislature a biennial report on the value of working waterfront land and sales of the land.
3. It repeals the requirement for the Department of Agriculture, Food and Rural Resources and the Bureau of Revenue Services to jointly submit an annual report to the Legislature on federal estate tax changes affecting Maine farmland.
4. It makes changes to the Maine fishery infrastructure investment tax credit. Under current law, a taxpayer may not claim a Maine fishery infrastructure investment tax credit if the taxpayer claims a deduction for the investment under another provision of the Maine income tax law. This amendment replaces this prohibition with an income tax addition modification for individuals and corporations to increase Maine taxable income by the amount of any deduction claimed for expenses that are used to calculate the Maine fishery infrastructure investment tax credit. The change applies retroactively to the effective date of the enactment of the Maine fishery infrastructure investment tax credit. The amendment authorizes the Department of Administrative and Financial Services, Bureau of Revenue Services to disclose information to the Department of Inland Fisheries and Wildlife necessary to administer the Maine fishery infrastructure investment tax credit.
5. It repeals a requirement that the Bureau of Revenue Services submit a report to the Legislature regarding electronic filing mandates.

Enacted Law Summary

Public Law 2011, chapter 644 makes the following changes to the laws governing taxation.

1. It extends from 30 days to 60 days the period during which a person who has received a demand to file a delinquent tax return must either file the return or request an extension in order to avoid an enhanced penalty.
2. It provides that the weight limitation for a pickup truck or van included in the definition of "automobile" in the sales and use tax law applies to the gross vehicle weight rating of the vehicle.
3. It removes the requirement that persons who rent or lease temporary retail space must file monthly returns

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reporting those rentals and replaces it with a tax registration certificate and record-keeping requirement. Additionally, the characteristics of the registration certificates are clarified.

4. It provides that an amount claimed as an income modification for military survivor benefits may not include an amount representing employee retirement benefits for which an income modification is claimed.
5. It provides that any income recognized on a taxpayer's federal tax return from the new markets capital investment credit is subtracted from federal adjusted gross income for state income tax purposes.
6. It provides that certain refundable tax credits are included for purposes of calculating the taxpayer's alternative minimum tax credit.
7. It provides that certain refundable tax credits may be applied to reduce the taxpayer's alternative minimum tax liability.
8. It clarifies the State Tax Assessor's responsibilities with regard to special fuel tax obligations under the International Fuel Tax Agreement and further delegates responsibilities to the Secretary of State. It also clarifies that the International Fuel Tax Agreement governing documents referenced in the Maine special fuel tax law include amendments to those documents that have been adopted as of December 31, 2011.
9. It repeals the requirement for the Bureau of Revenue Services to submit to the Legislature a biennial report on the value of working waterfront land and sales of the land.
10. It repeals the requirement for the Department of Agriculture, Food and Rural Resources and the Bureau of Revenue Services to jointly submit an annual report to the Legislature on federal estate tax changes affecting Maine farmland.
11. It makes changes to the Maine fishery infrastructure investment tax credit. Under current law, a taxpayer may not claim a Maine fishery infrastructure investment tax credit if the taxpayer claims a deduction for the investment under another provision of the Maine income tax law. Public Law 2011, chapter 644 replaces this prohibition with a retroactive income tax addition modification for individuals and corporations to increase Maine taxable income by the amount of any deduction claimed for expenses that are used to calculate the Maine fishery infrastructure investment tax credit, and authorizes the Department of Administrative and Financial Services, Bureau of Revenue Services to disclose information to the Department of Inland Fisheries and Wildlife necessary to administer the Maine fishery infrastructure investment tax credit.
12. It repeals a requirement that the Bureau of Revenue Services submit a report to the Legislature regarding electronic filing mandates.

LD 1750 An Act To Create the Maine Board of Tax Appeals

**PUBLIC 694
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KNIGHT	OTP-AM MAJ OTP-AM MIN	H-860 S-603 ROSEN R

This bill makes the following changes to the laws governing appeals of decisions of the State Tax Assessor.

1. It provides the means for a taxpayer to consider that a petition for reconsideration has been denied if a

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decision has not been issued by the Department of Administrative and Financial Services, Bureau of Revenue Services within 90 days of the receipt of the petition.

2. It provides for a reconsidered decision on a small claim request at the bureau level, which may be appealed directly to the Superior Court, and defines a small claim request. It provides that all other reconsidered decisions may be appealed de novo to either the Superior Court or the Maine Board of Tax Appeals.

3. It eliminates the Independent Appeals Office, as created in Public Law 2011, chapter 439, and instead creates the Maine Board of Tax Appeals, an independent, 3-member board appointed by the Governor. The members of the board serve 3-year terms. It provides for per diem compensation to the board members and outlines the powers and duties of the board, including adopting rules necessary to oversee formal appeals of decisions of the State Tax Assessor. It creates a special revenue account for appeals fees to be used for operating expenses of the board.

4. It amends the provision in current law allowing for a redacted copy of certain documents to be made public to comply with federal confidentiality statutes and to clarify that the dissemination of those documents is on a prospective basis only.

5. It eliminates the restriction on the disclosure of information by the State Tax Assessor to the taxpayer advocate, since this bill also maintains the taxpayer advocate as an employee of the Bureau of Revenue Services.

6. It allows the State Tax Assessor to disclose information to the Maine Board of Tax Appeals and allows the board to disclose that information, but limits the disclosure to information that is pertinent to an appeal or other action or proceeding before the board.

7. It provides for the transfer of funds from the Bureau of Revenue Services to the Maine Board of Tax Appeals, the elimination of positions within the bureau, the creation of new positions in the appeals office of the Maine Board of Tax Appeals and the transition of cases from the bureau to the board.

Committee Amendment "A" (H-860)

This amendment, which is the majority report, does the following.

1. It makes the review by the Superior Court of a final determination by the State Tax Assessor or the Department of Administrative and Financial Services, Maine Board of Tax Appeals a de novo review.

2. It provides that the Chief Appeals Officer serves at the pleasure of the Commissioner of Administrative and Financial Services and is a confidential employee at salary range 33.

3. It clarifies that the board may not have any ex parte communication with or on behalf of any party, but may have such communication related to administrative matters.

4. It provides that either the taxpayer or the assessor may appeal a decision to the Superior Court.

5. It provides that a person who wishes to appeal the board's decision to the Superior Court must file a petition for review within 60 days after receipt of the board's decision or the decision becomes final and no further review is available.

6. It provides that the board begins to receive appeals on November 1, 2012, and begins to consider appeals on January 1, 2013.

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7. It eliminates provisions related to the transfer of cases between the eliminated appellate division within the Department of Administrative and Financial Services, Bureau of Revenue Services and the Maine Board of Tax Appeals, the continuation of rules, regulations, procedures and contracts and the use of related forms, licenses, letterheads and similar items.

8. It provides for the transfer of positions from the eliminated appellate division to the Maine Board of Tax Appeals and includes an appropriations and allocations section.

Committee Amendment "B" (H-861)

This amendment, which is the minority report, restores the tax appeals process that was in place prior to enactment of Public Law 2011, chapter 439. It retains the provisions of Public Law 2011, chapter 439 pertaining to the taxpayer advocate. This amendment adds an appropriations and allocations section.

This amendment was not adopted.

Senate Amendment "A" To Committee Amendment "A" (S-603)

This amendment removes the date changes regarding when appeals for reconsidered decisions of the State Tax Assessor to the Maine Board of Tax Appeals begin and when appeals to the board must be conducted in accordance with the provisions of the bill.

Enacted Law Summary

Public Law 2011, chapter 694 makes the following changes to the laws governing appeals of decisions of the State Tax Assessor.

1. It eliminates the Independent Appeals Office, as created in Public Law 2011, chapter 439, and instead creates the Maine Board of Tax Appeals, an independent, 3-member board appointed by the Governor. The members of the board serve 3-year terms. It provides for per diem compensation to the board members and outlines the powers and duties of the board, including adopting rules necessary to oversee formal appeals of decisions of the State Tax Assessor. It creates a special revenue account for appeals fees to be used for operating expenses of the board.

2. It provides the means for a taxpayer to consider that a petition for reconsideration has been denied if a decision has not been issued by the Department of Administrative and Financial Services, Bureau of Revenue Services within 90 days of the receipt of the petition.

3. It provides for a reconsidered decision on a small claim request at the bureau level, which may be appealed directly to the Superior Court, and defines a small claim request. It provides that all other reconsidered decisions may be appealed de novo to either the Superior Court or the Maine Board of Tax Appeals.

4. It makes the review by the Superior Court of a final determination by the State Tax Assessor or the Department of Administrative and Financial Services, Maine Board of Tax Appeals a de novo review.

5. It provides that the Commissioner of Administrative and Financial Services shall appoint a Chief Appeals Officer to assist the board and outlines the duties of the position.

6. It amends the provision in current law allowing for a redacted copy of certain documents to be made public to comply with federal confidentiality statutes and to clarify that the dissemination of those documents is on a prospective basis only.

7. It eliminates the restriction on the disclosure of information by the State Tax Assessor to the taxpayer advocate, since this bill also maintains the taxpayer advocate as an employee of the Bureau of Revenue Services. It allows the State Tax Assessor to disclose information to the Maine Board of Tax Appeals and allows the board to disclose that information, but limits the disclosure to information that is pertinent to an appeal or other action or proceeding

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before the board. It clarifies that the board may not have any ex parte communication with or on behalf of any party, but may have such communication related to administrative matters.

8. It provides an appeals procedures and requires that the board set a rate of no more than \$150 as a processing fee for each petition that proceeds to an appeals conference. It provides that that either the taxpayer or the assessor may appeal a decision to the Superior Court and that a person who wishes to appeal the board's decision to the Superior Court must file a petition for review within 60 days after receipt of the board's decision or the decision becomes final and no further review is available.

9. It provides for the transfer of funds from the Bureau of Revenue Services to the Maine Board of Tax Appeals, the elimination of positions within the bureau and the creation of new positions in the appeals office of the Maine Board of Tax Appeals and provides for the transfer of property and equipment from the bureau to the board.

Public Law 2011, chapter 694 was enacted as an emergency measure effective July 1, 2012.

LD 1751 *Resolve, Authorizing the State Tax Assessor To Convey the Interest of the State in Certain Real Estate in the Unorganized Territory*

RESOLVE 129

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KNIGHT	OTP-AM	H-748

This resolve authorizes the State Tax Assessor to convey the interest of the State in several parcels of real estate in the Unorganized Territory.

Committee Amendment "A" (H-748)

This amendment reauthorizes the State Tax Assessor to convey certain real estate in the Unorganized Territory. Authorization to convey these parcels was originally granted in Resolve 2011, chapter 54 but that authorization expires April 1, 2012, and conveyances cannot be completed by April 1, 2012, due to administrative delays. This amendment extends the deadline until April 1, 2013 and updates tax liability amounts.

Enacted Law Summary

Resolve 2011, chapter 129 authorizes the State Tax Assessor to convey the interest of the State in several parcels of real estate in the Unorganized Territory. It also reauthorizes the State Tax Assessor to convey certain real estate in the Unorganized Territory that was originally granted in Resolve 2011, chapter 54. That authorization expired April 1, 2012, and conveyances could not be completed by April 1, 2012, due to administrative delays. Resolve 2011, chapter 129 extends the deadline until April 1, 2013, and updates tax liability amounts.

LD 1752 *An Act Concerning Technical Changes to the Tax Laws*

PUBLIC 548

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KNIGHT	OTP-AM	H-767

This bill makes the following changes to the laws governing taxation.

1. It makes technical changes to correct cross-references, correct clerical errors, resolve statutory numbering

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conflicts, improve syntax and repeal unnecessary language.

2. It corrects references to the Department of Administrative and Financial Services, Bureau of Revenue Services.
3. It clarifies the computation of a benchmark loan payment for purposes of the educational opportunity tax credit, consistent with the way the credit is currently administered.
4. It clarifies that an insurance company that does not do business in Maine and is not subject to the Maine insurance premiums tax is eligible for the new markets capital investment credit.
5. It clarifies the computation of the Maine fishery infrastructure investment tax credit.
6. It adds administration of reports and payments by initiators of deposit under the beverage container laws to the list of duties assigned to the State Tax Assessor.
7. It clarifies that only the applicant may appeal to the State Board of Property Tax Review the decision of the assessors or municipal officers with respect to a request for abatement of property taxes on nonresidential property with a valuation of \$1,000,000 or greater.
8. It corrects the computation of the subtraction modification relating to bonus depreciation for property not used as the basis for the Maine capital investment credit.
9. It clarifies that the minimum taxability thresholds for nonresidents apply to the taxable year of the taxpayer rather than the calendar year.
10. It amends the definition of "fiduciary adjustment" to reflect the repeal of the requirement to reduce itemized deductions by the amount of any federal deduction for mortgage insurance premiums.
11. It clarifies the recapture provisions of the Maine capital investment credit.

Committee Amendment "A" (H-767)

This amendment clarifies the application of the motor vehicle oil premium reimbursement to include exports by a distributor purchasing motor vehicle oil from another distributor who remitted the premium to the State. The amendment makes the section of the Act clarifying the application of the motor vehicle oil premium reimbursement retroactive to apply to taxes on premiums received on or after July 1, 2011, to coincide with the first reimbursement requests filed by distributors.

Enacted Law Summary

Public Law 2011, chapter 548 makes the following changes to the laws governing taxation.

1. It makes technical changes to correct cross-references, correct clerical errors, resolve statutory numbering conflicts, improve syntax and repeal unnecessary language.
2. It corrects references to the Department of Administrative and Financial Services, Bureau of Revenue Services.
3. It clarifies the computation of a benchmark loan payment for purposes of the educational opportunity tax credit, consistent with the way the credit is currently administered.
4. It clarifies that an insurance company that does not do business in Maine and is not subject to the Maine insurance premiums tax is eligible for the new markets capital investment credit.
5. It clarifies the computation of the Maine fishery infrastructure investment tax credit.

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6. It adds administration of reports and payments by initiators of deposit under the beverage container laws to the list of duties assigned to the State Tax Assessor.
7. It clarifies that only the applicant may appeal to the State Board of Property Tax Review the decision of the assessors or municipal officers with respect to a request for abatement of property taxes on nonresidential property with a valuation of \$1,000,000 or greater.
8. It corrects the computation of the subtraction modification relating to bonus depreciation for property not used as the basis for the Maine capital investment credit.
9. It clarifies that the minimum taxability thresholds for nonresidents apply to the taxable year of the taxpayer rather than the calendar year.
10. It amends the definition of "fiduciary adjustment" to reflect the repeal of the requirement to reduce itemized deductions by the amount of any federal deduction for mortgage insurance premiums.
11. It clarifies the recapture provisions of the Maine capital investment credit.
12. It clarifies the application of the motor vehicle oil premium reimbursement to include exports by a distributor purchasing motor vehicle oil from another distributor who remitted the premium to the State to apply retroactively to taxes on premiums received on or after July 1, 2011, coinciding with the first reimbursement requests filed by distributors.

LD 1764 An Act To Reduce High-technology Tax Evasion and Theft

PUBLIC 526

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BERRY WOODBURY	OTP-AM MAJ ONTP MIN	H-743

This bill prohibits the possession of automated sales suppression devices, which alter the amounts of sales made by a business for the express purpose of illegally withholding or skimming sales taxes paid by customers. For those persons who correct and fully report any previously underreported sales records before September 1, 2012, certain penalties are reduced but other existing financial liabilities are not reduced. The bill also authorizes the Department of Administrative and Financial Services, Bureau of Revenue Services to adopt routine technical rules to implement this interim compliance period. The bill also requires the bureau to report to the joint standing committee in January 2013 and December 2014 on efforts to detect and prevent crimes involving automated sales suppression devices.

Committee Amendment "A" (H-743)

This amendment changes the title of the bill, removes the emergency preamble and emergency clause from the bill and, like the bill, prohibits the possession of automated sales suppression devices, which alter the amounts of sales made by a business for the purpose of illegally withholding sales taxes paid by customers. It provides that a person who knowingly possesses, purchases or owns any automated sales suppression device or phantom-ware commits a Class D crime. It provides that a person who knowingly manufactures, sells, installs or transfers any automated sales suppression device or phantom-ware or possesses, purchases or owns with the intent to sell, install or transfer any automated sales suppression device or phantom-ware commits a Class C crime. The amendment removes the sections of the bill related to an interim compliance period and reporting by the Department of Administrative and Financial Services, Bureau of Revenue Services to the joint standing committee of the Legislature having jurisdiction over taxation matters on efforts to detect and prevent crimes involving automated sales suppression

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devices.

Enacted Law Summary

Public Law 2011, chapter 526 prohibits the possession of automated sales suppression devices, which alter the amounts of sales made by a business for the purpose of illegally withholding sales taxes paid by customers. It provides that a person who knowingly possesses, purchases or owns any automated sales suppression device or phantom-ware commits a Class D crime. It provides that a person who knowingly manufactures, sells, installs or transfers any automated sales suppression device or phantom-ware or possesses, purchases or owns with the intent to sell, install or transfer any automated sales suppression device or phantom-ware commits a Class C crime.

LD 1809 An Act To Apply the Sales Tax on Camper Trailers and Motor Homes PUBLIC 684
Purchased for Rental in the Same Manner as on Automobiles Purchased
for Rental

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
VOLK	OTP-AM MAJ ONTP MIN	H-795

This bill provides that camper trailers and motor homes are not subject to sales tax when purchased by a person engaged in the renting or leasing of those items and subjects the rental of those items to sales tax at the rate of 5%.

Committee Amendment "A" (H-795)

This amendment changes the reference to "camper trailer" to the definition used in the sales and use tax laws instead of the definition used in the property tax laws and adds an effective date.

Enacted Law Summary

Public Law 2011, chapter 684 provides that the purchase of camper trailers and motor homes are not subject to sales tax when purchased by a person engaged in the renting or leasing of those items and instead subjects the rental of those items to sales tax at the rate of 5%.

Public Law 2011, chapter 684 is effective October 1, 2012.

LD 1826 An Act To Revise the Income Tax Return Checkoffs PUBLIC 685

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM MAJ OTP-AM MIN	H-880

This bill is the majority report of the Joint Standing Committee on Taxation pursuant to Joint Order H.P. 1324.

It eliminates the voluntary contributions checkoffs from the Maine income tax return due in 2014 for tax years beginning on or after January 1, 2013. The bill eliminates voluntary contributions checkoffs for political parties, the Maine Endangered and Nongame Wildlife Fund, the Companion Animal Sterilization Fund, the Maine Children's Trust Incorporated, the Bone Marrow Screening Fund, the Maine Military Family Relief Fund, the Maine Veterans' Memorial Cemetery Maintenance Fund and the Maine Asthma and Lung Disease Research Fund, which are currently included in Part A of Schedule CP of the Maine income tax return. It requires the Department of

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Administrative and Financial Services, Bureau of Revenue Services to notify the entities to which payments are made as a result of the voluntary contributions checkoffs that, beginning in 2014, the schedule for these checkoffs will be eliminated from the Maine income tax return for tax years beginning on or after January 1, 2013. It requires the Bureau of Revenue Services to consult with these entities to identify statutory changes necessary as a result of this bill and, no later than December 15, 2012, to submit a bill to the First Regular Session of the 126th Legislature with those changes.

Committee Amendment "A" (H-880)

This amendment is the minority report of the Joint Standing Committee on Taxation.

This amendment replaces the bill and changes the title. It eliminates the checkoffs for contributions to political parties from the Maine income tax return for tax years beginning on or after January 1, 2012. It establishes the Maine Public Library Fund and an income tax checkoff to support free public libraries in the State. It prohibits the State Tax Assessor from including on the individual income tax return form a designation for a taxpayer to make a contribution through a checkoff if, in the previous year, the total contributions to the organization or fund to which the contributions are credited were not at least \$10,000 in calendar year 2012. The required minimum amount of contributions through the checkoff increases by \$3,000 each year until the minimum level of contributions reaches \$25,000 in calendar year 2017 and subsequent years. The amendment repeals provisions permitting a taxpayer to make a contribution through a checkoff in an amount less than \$5. It requires the State Tax Assessor to determine annually the total amount contributed to each fund or organization through a checkoff and to deduct the cost of administering the checkoff for the organization or fund before reporting the remainder to the Treasurer of State, who is required to forward that amount to the designated organization or fund. The amendment removes statutory limits on the amounts that may be deducted for administrative costs. It requires the joint standing committee of the Legislature having jurisdiction over taxation matters to, by April 1, 2017, review data regarding contributions made through checkoffs and the costs to the Department of Administrative and Financial Services, Bureau of Revenue Services for administration of the checkoffs and authorizes the committee to submit a bill to the 128th Legislature to implement any recommendations resulting from the review. This amendment also adds an appropriations and allocations section to the bill.

Enacted Law Summary

Public Law 2011, chapter 685 makes the following changes related to voluntary contributions checkoffs on the Maine income tax return.

1. It eliminates the checkoffs for contributions to political parties from the Maine income tax return for tax years beginning on or after January 1, 2012.
2. It establishes the Maine Public Library Fund and an income tax checkoff to support free public libraries in the State.
3. It prohibits the State Tax Assessor from including on the individual income tax return form a designation for a taxpayer to make a contribution through a checkoff if, in the previous year, the total contributions to the organization or fund to which the contributions are credited were not at least \$10,000 in calendar year 2012. The required minimum amount of contributions through the checkoff increases by \$3,000 each year until the minimum level of contributions reaches \$25,000 in calendar year 2017 and subsequent years.
4. It repeals provisions permitting a taxpayer to make a contribution through a checkoff in an amount less than \$5.
5. It requires the State Tax Assessor to determine annually the total amount contributed to each fund or organization through a checkoff and to deduct the cost of administering the checkoff for the organization or fund before reporting the remainder to the Treasurer of State, who is required to forward that amount to the designated organization or fund. It repeals statutory limits on the amounts that may be deducted for administrative costs.

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6. It requires the joint standing committee of the Legislature having jurisdiction over taxation matters, by April 1, 2017, to review data regarding contributions made through checkoffs and the costs to the Department of Administrative and Financial Services, Bureau of Revenue Services for administration of the checkoffs and authorizes the committee to submit a bill to the 128th Legislature to implement any recommendations resulting from the review.

LD 1835 An Act To Restore Equity in Revenue Sharing

PUBLIC 656

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
ALFOND	OTP-AM MAJ ONTP MIN	S-501

This bill changes the distribution of revenue-sharing funds from the Disproportionate Tax Burden Fund, commonly referred to as "revenue sharing 2," from municipalities with an equalized property tax rate exceeding 10 mills to municipalities with an equalized property tax rate exceeding the statewide average property tax rate.

Committee Amendment "A" (S-501)

This amendment implements over several years a change in the distribution of revenue-sharing funds from the Disproportionate Tax Burden Fund, commonly referred to as "revenue sharing 2," from municipalities with an equalized property tax rate exceeding 10 mills to municipalities with an equalized property tax rate exceeding the statewide average property tax rate. The phased-in change may occur only if the total revenue-sharing distribution as established in statute is being provided without reduction or transfer. In addition, the adjustment of the reduction factor in the revenue sharing 2 distribution formula from 10 mills to the statewide average property tax rate is accomplished through an adjustment of no more than 1/2 of one mill per year until the statewide average property tax rate is reached.

Enacted Law Summary

Public Law 2011, chapter 656 implements over several years a change in the distribution of revenue-sharing funds from the Disproportionate Tax Burden Fund, commonly referred to as "revenue sharing 2," from municipalities with an equalized property tax rate exceeding 10 mills to municipalities with an equalized property tax rate exceeding the statewide average property tax rate. The phased-in change may occur only if the total revenue-sharing distribution as established in statute is being provided without reduction or transfer. In addition, the adjustment of the reduction factor in the revenue sharing 2 distribution formula from 10 mills to the statewide average property tax rate is accomplished through an adjustment of no more than 1/2 of one mill per year until the statewide average property tax rate is reached.

LD 1847 An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2012-13

**PUBLIC 591
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM	H-804

This bill is submitted pursuant to Title 36, section 1604.

It establishes municipal cost components for state and county services provided to the unorganized territory that would be paid for by a municipality. The determination of the municipal cost components is necessary for the

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establishment of a mill rate and the levy of the Unorganized Territory Educational and Service Tax.

Committee Amendment "A" (H-804)

This amendment makes mathematical corrections to include the reimbursement to the Passamaquoddy Tribe for governmental services to benefit nonreservation Indian Township property owners that was inadvertently left out of the bill.

Enacted Law Summary

Public Law 2011, chapter 591 establishes municipal cost components for state and county services provided to the unorganized territory that would be paid for by a municipality. The determination of the municipal cost components is necessary for the establishment of a mill rate and the levy of the Unorganized Territory Educational and Service Tax.

Public Law 2011, chapter 591 was enacted as an emergency measure effective April 4, 2012.

LD 1878 An Act To Allow Abatement of Property Taxes Due to Hardship

PUBLIC 624

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GRAHAM DIAMOND	OTP-AM MAJ ONTP MIN	H-855

This bill provides a mechanism for a person whose house is rendered uninhabitable by fire to obtain reimbursement or abatement of property taxes paid or owed on that house for the balance of the tax year following the fire as long as certain conditions are met:

1. The house must be the primary residence of the person; and
2. The person must obtain a report from the municipal fire inspector for the municipality in which the house is located or from the Department of Public Safety, Office of the State Fire Marshal stating that the house is uninhabitable due to fire. Alternatively, the person may use an order to vacate the premises issued by the State Fire Marshal or a public safety inspector as proof of uninhabitability.

If a person meets these conditions, the municipal officers, or the State Tax Assessor for the unorganized territory, may reimburse or abate any amount up to the amount of property taxes paid or owed on the house only, prorated to reflect the number of days left in the property tax year.

Current law requires municipal fire inspectors or the State Fire Marshal to investigate every instance when property is damaged or destroyed by fire. This bill requires the investigating official, when the fire occurs at a residence, to indicate on the investigation report whether the residence is habitable following the fire and to issue a copy of the report to the owner of the residence, if requested.

Committee Amendment "A" (H-855)

This amendment changes the title and replaces the bill. Current law provides for a property tax abatement for a person who, due to poverty or infirmity, is unable to contribute to the public charges. This amendment changes the law to provide for a property tax abatement for a person who, due to "hardship" rather than "infirmity", is unable to contribute to the public charges.

Enacted Law Summary

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Public Law 2011, chapter 624 provides for a property tax abatement for a person who, due to hardship, is unable to contribute to the public charges.

LD 1910 An Act To Allow the Town of Fort Kent To Create a Downtown Tax Increment Financing District Using the Current Assessed Value of the Downtown

**P & S 28
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MARTIN J JACKSON	OTP-AM	H-929

This bill allows the Town of Fort Kent to create a downtown tax increment financing district using the current assessed value of the downtown as of April 1, 2012.

Committee Amendment "A" (H-929)

This amendment provides that the Town of Fort Kent may, for a tax increment financing district it designates between April 1, 2012 and March 31, 2013, instead of between April 1, 2013 and March 31, 2014, as in the bill, use the assessed value as of April 1, 2012, as the original assessed value for the district but must meet all other requirements of the Maine Revised Statutes, Title 30-A, chapter 206.

Enacted Law Summary

Private and Special Law 2011, chapter 28 provides that the Town of Fort Kent may, for a tax increment financing district it designates between April 1, 2012 and March 31, 2013, use the assessed value as of April 1, 2012, as the original assessed value for the district but must meet all other requirements of the Maine Revised Statutes, Title 30-A, chapter 206.

Private and Special Law 2011, chapter 28 was enacted as an emergency measure effective April 17, 2012.

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Administration of Tax Laws

Enacted

LD 590	An Act To Codify the Review Practice of Certain Changes in the Application of the Sales and Use Tax Law	PUBLIC 503
LD 1535	Resolve, Directing the Department of Administrative and Financial Services, Bureau of Revenue Services To Develop a Pilot Project for a Tax Simulation Model for State Dynamic Fiscal Analysis	RESOLVE 114
LD 1748	An Act To Conform the Maine Tax Laws for 2011 to the United States Internal Revenue Code	PUBLIC 530 EMERGENCY
LD 1749	An Act To Amend the Tax Laws	PUBLIC 644
LD 1750	An Act To Create the Maine Board of Tax Appeals	PUBLIC 694 EMERGENCY
LD 1752	An Act Concerning Technical Changes to the Tax Laws	PUBLIC 548

Not Enacted

LD 1730	An Act To Require the Review of Proposed Tax Expenditures	ONTP
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Excise Tax

Enacted

LD 1699	An Act To Create Excise Tax Equity and Consistency for Buses	PUBLIC 646
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Hospital and Health Care Provider Taxes

Not Enacted

LD 1641	An Act To Ensure Equal Tax Treatment for Private-pay and MaineCare-participating Providers of Residential Care to Persons Who Are Elderly or Disabled	ONTP
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Income Tax - General

Enacted

LD 1826	An Act To Revise the Income Tax Return Checkoffs	PUBLIC 685
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Not Enacted

LD 1225 An Act To Create an Income Tax Return Checkoff To Fund Cancer Screening, Detection and Prevention DIED BETWEEN HOUSES

Income Tax Credits, Exemptions, Deductions and Incentives

Enacted

LD 835 An Act To Strengthen Maine's Economy through Improvements to the Educational Opportunity Tax Credit PUBLIC 665

Not Enacted

LD 338 An Act To Provide an Income Tax Credit for Persons Engaged in Commercial Forestry VETO SUSTAINED

LD 1164 An Act To Support Maine Farms and Alleviate Hunger DIED ON ADJOURNMENT

Miscellaneous Taxes

Not Enacted

LD 876 An Act To Convert Vacant Commercial Property to Occupied Commercial Property ONTP

Municipal Revenue Sharing

Enacted

LD 1835 An Act To Restore Equity in Revenue Sharing PUBLIC 656

Property Tax - Current Use

Enacted

LD 1138 An Act To Amend the Maine Tree Growth Tax Law and the Open Space Tax Law PUBLIC 618

LD 1470 An Act To Evaluate the Harvesting of Timber on Land Taxed under the Maine Tree Growth Tax Law PUBLIC 619

Property Tax - Valuation

Not Enacted

LD 305 RESOLUTION, Proposing an Amendment to the Constitution of Maine To Allow Land and Buildings To Be Assessed Differently ONTP

Property Tax Relief Programs

Enacted

LD 1680	An Act To Amend the Circuitbreaker Program To Include Claimants Occupying Property Pursuant to a Trust and To Require Proof of Payment of Rent	PUBLIC 513
LD 1693	An Act To Amend the Law Governing Abatements of Property Taxes for Infirmary or Poverty and the Administration of the Circuitbreaker Program	PUBLIC 552
LD 1878	An Act To Allow Abatement of Property Taxes Due to Hardship	PUBLIC 624

Sales Tax

Enacted

LD 1764	An Act To Reduce High-technology Tax Evasion and Theft	PUBLIC 526
LD 1809	An Act To Apply the Sales Tax on Camper Trailers and Motor Homes Purchased for Rental in the Same Manner as on Automobiles Purchased for Rental	PUBLIC 684

Not Enacted

LD 52	An Act To Dedicate a Percentage of the Sales and Use Tax on Automobiles and Motorcycles to the Highway Fund	DIED ON ADJOURNMENT
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Sales Tax Exemptions, Exclusions or Refunds

Enacted

LD 1610	An Act To Amend the Law Regarding the Sale of Wood Pellets and Wood	PUBLIC 670 EMERGENCY
LD 1655	An Act To Create a Sales Tax Exemption for the Sale and Delivery of Off-peak Electricity for Electric Thermal Storage Devices	PUBLIC 673 EMERGENCY
LD 1735	An Act To Promote Jobs in the Motor Coach Industry by Providing a Sales Tax Exemption for Certain Buses	PUBLIC 501

Not Enacted

LD 205	An Act To Provide a Sales Tax Exemption to Incorporated Nonprofit Performing Arts Organizations	VETO SUSTAINED
LD 234	An Act To Provide a Sales Tax Exemption to Commercial Horticulturists	DIED ON ADJOURNMENT

Tax Increment Financing

Enacted

LD 1653	An Act To Make Fisheries and Wildlife and Marine Resources Projects Eligible for Tax Increment Financing	PUBLIC 675
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LD 1910	An Act To Allow the Town of Fort Kent To Create a Downtown Tax Increment Financing District Using the Current Assessed Value of the Downtown	P & S 28 EMERGENCY
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Tax Reform - Tax and Spending Limits

Enacted

LD 849	An Act To Provide Tax Relief for Maine's Citizens by Reducing Income Taxes	PUBLIC 692
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Unorganized Territory

Enacted

LD 1751	Resolve, Authorizing the State Tax Assessor To Convey the Interest of the State in Certain Real Estate in the Unorganized Territory	RESOLVE 129
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LD 1847	An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2012-13	PUBLIC 591 EMERGENCY
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