

Shaded LDs have been voted on by the Committee

PHa.m. 4/26/2023

TAXATION COMMITTEE
 131st LEGISLATURE
 1st REG SESSION
 G:\TAXCMTE\131st-1\bill chart 4-26-23a.m..docx

| LD | LR | PH | WS | SPONSOR | TITLE | SUMMARY (Summaries may not reflect content of most recent committee action) | COMM ACTION | FISCAL IMPACT ¹ | |
|------|------|------|----|-------------|--|---|-------------|----------------------------|------|
| | | | | | | | | FY24 | FY25 |
| 1184 | 312 | 4/26 | | Jackson | An Act to Exempt Certain Prescribed Home Medical Supplies from Sales Tax | <p>Current law: STE for <u>prosthetic and orthotic devices</u> prescribed by health care practitioner; <u>crutches and wheel chairs</u> for sick, injured or disabled persons.</p> <p>This bill provides a <u>sales tax exemption for medical equipment and supplies prescribed by a health care provider for medical purposes when payment is made by an insurance company or Medicare/Medicaid.</u></p> | | | |
| 1212 | 1389 | 4/26 | | Baldacci | Resolve, to Study the Economic Effects of Instituting a Seasonal Sales Tax | <p>This resolve requires DAFS/MRS to conduct a <u>study on the effects of a seasonal sales tax</u> including</p> <ol style="list-style-type: none"> 1. Revenue impact 2. Effect on economy 3. Investigate other states with seasonal tax 4. Submit <u>report to the Legislature</u> by 12/6/23 | | | |
| 1445 | 1893 | 4/26 | | Faulkingham | An Act to Enact a Seasonal Sales Tax to Provide Income Tax Relief to Maine Residents | <p>This bill makes the following changes to the sales tax laws.</p> <ol style="list-style-type: none"> 1. It enacts an <u>additional seasonal sales tax of 2%</u>, imposed annually between <u>Memorial Day and Indigenous Peoples Day</u> beginning in 2024. The tax is imposed only <u>on those items or services that are subject to the current 5.5% sales tax.</u> | | | |

¹ . Numbers may represent preliminary estimates and are subject to change. For more detail, please see fiscal note documents in LD file.

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| | | | | | | | | FY24 | FY25 |
| | | | | | | <p>2. Revenue from the seasonal sales tax is deposited, without any subtractions, <u>into the new Maine Residents Income Tax Relief Fund. The purpose of the fund is to increase the personal exemption.</u> If the change would increase the personal exemption beyond the amount of the personal exemption under federal law, then the joint standing committee having jurisdiction over taxation matters may report out legislation that uses the funds to reduce the income tax by other means.</p> <p>3. It <u>amends the refundable sales tax fairness credit to increase the maximum credit to \$300 and increase the income levels at which the credit is phased out, beginning in 2024.</u></p> | | | |
| 1493 | 1111 | 4/26 | | LaRochelle | An Act to Increase Affordable Housing by Expanding Tax Increment Financing | <p>This bill authorizes the creation of Pine Tree Housing Zones to <u>allow retained value resulting from a TIF district in a municipality to be used anywhere in the municipality for the purposes of the purchase, rehabilitation or establishment of affordable and workforce housing in the municipality.</u></p> <p>The bill <u>provides for a sales tax exemption for the associated purchasing of goods and services and electricity for a qualified project in a Pine Tree Housing Zone.</u></p> | | | |
| 1504 | 2190 | 4/26 | | Terry | An Act to Exempt Broadband Equipment from the Sales and Use Tax | <p>This bill provides a <u>sales tax exemption for sales of machinery and equipment used to provide broadband communications service to a broadband communications service provider.</u></p> | | | |