

Shaded LDs have been voted on by the Committee

PH 5/17/2023am

TAXATION COMMITTEE
 131st LEGISLATURE
 1st REG SESSION
 G:\TAXCMTE\131st-1\bill chart PH 5-17-23.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
1338	1962	5/17	5/18	Collings	An Act to Amend the Maine Exclusion Amount in the Estate Tax	<p>This bill returns the exclusion amount, below which the Maine estate tax does not apply, to \$2,000,000 from the \$5,600,000 in current law for estates of decedents dying on or after January 1, 2024.</p> <p>The Treasurer of State must credit <u>100% of the revenues generated</u> by the reduction in the exclusion amount to the Maine State Housing Authority <u>to be used to support affordable housing</u>. <u>Twenty-five percent</u> of the amount credited to MeSHA must be used to support <u>affordable housing for veterans</u>.</p> <p>The bill also creates an <u>additional exclusion amount</u> from the estate tax <u>for family farms and aquaculture, fishing and wood harvesting businesses of up to \$3,800,000</u>. This additional exclusion applies to farmland or depreciable machinery and equipment used in agriculture, aquaculture, fishing or wood harvesting that is inherited by a family member and remains in commercial use for 5 years following transfer.</p>			
1569	736	5/17		Roberts	An Act to Exempt Certain Disabled Veterans from Property Taxes in Accordance with Their Disability Ratings	<p>Current law: Current exemption is <u>\$6,000 or \$7,000 for veterans age 62+ who served during federal recognized war period or received Armed Forces Expeditionary Medal and \$50,000 for veterans who meet those requirements and are paraplegic veterans with housing assistance</u>.</p> <p>This bill: Provides a <u>property tax exemption</u> for the estates of <u>certain disabled veterans, without regard to</u></p>			

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

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT ¹	
								FY24	FY25
						<p>age or service during war period. Applies to property tax years beginning on or after April 1, 2024.</p> <p>Like current exemptions for the estates of veterans, the exemption is <u>also made available to an eligible survivor, who may be a widow or widower, a minor child or a parent of an eligible disabled veteran, following the death of the eligible disabled veteran.</u></p> <p>The <u>exemption provides an amount that increases from \$3,000 to \$10,000 based on the percentage of the veteran's service-connected disability.</u></p> <p>The bill also requires state reimbursement to municipalities and the Unorganized Territory Education and Services Fund for <u>100% of the property tax revenue lost as a result of the exemptions provided in the bill.</u></p>			
1595	81	5/17		Jackson	An Act to Exempt the Estates of Veterans Who Were Disabled in the Line of Duty from Property Taxes	This bill provides a <u>complete exemption from property taxes for veterans who were disabled during active military service and who are receiving a pension or compensation from the United States Government for total, service-connected disability.</u> Current law provides up to a \$6,000 exemption.			
1648	1490	5/17		Boyle	An Act to Make Changes to the Farm and Open Space Tax Law	<p>This bill establishes a <u>new method for the valuation of land under the farm and open space tax law.</u></p> <p>It <u>extends eligibility for a reduced valuation to land managed under a carbon conservation management plan,</u> which is a written agreement between the landowner and DACF that describes strategies to be used on a parcel of land at least 10 acres in size to increase carbon storage or improve carbon conservation.</p> <p>It <u>removes the requirement that wildlife habitat land meet specific criteria to be eligible for a reduced valuation,</u> such as being designated by the Department</p>			

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT ¹	
								FY24	FY25
						<p>of Inland Fisheries and Wildlife as supporting important wildlife habitat or identified by the Department of Agriculture, Conservation and Forestry as supporting a natural vegetation community. Instead, such land is eligible for a reduced <u>valuation if the landowner establishes and complies with a written management agreement between the landowner and either the DIFW or DACF</u> to ensure that the habitat benefits provided by the land are not lost.</p> <p>This <u>bill establishes specific criteria for management plans</u>, including requiring them to contain specific strategies for compliance, be sworn to and complied with by the landowner and renewed at least once every 10 years.</p> <p>This bill <u>requires the State Tax Assessor to reimburse municipalities for revenue lost as a result of being enrolled under the farm and open space tax law in a amount equal to the reduction in valuation multiplied by “tax burden “ in the tax jurisdiction.”</u></p> <p>This <u>bill also removes the provision limiting to no more than 15,000 acres the amount of land that may be enrolled by a landowner under the farm and open space tax law.</u></p>			
1717	1737	5/17		Collamore	An Act to Provide a Property Tax Exemption for All Veterans over 62 Years of Age	<p>Current law provides a \$6,000 property tax exemption to:</p> <ol style="list-style-type: none"> 1. veterans who served in the Armed Forces of the United States during a federally recognized war period once they reach the age of 62 years or are receiving a pension or compensation from the Federal Government for total disability as a veteran. 2. veteran who are disabled by injury or disease incurred during active military service regardless of when that service was performed. 			

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT ¹	
								FY24	FY25
						<u>This bill</u> removes the requirement that the military service be performed during a federally recognized war period, allowing a veteran who is at least 62 years of age, regardless of when the military service was performed, to be eligible for the \$6,000 exemption. A veteran who is receiving a pension or compensation from the Federal Government for a service-connected disability continues to be eligible for the \$6,000 exemption, regardless of age or time of service.			
1737	2103	5/17		Hymes	An Act to Provide up to \$5,000 in Property Tax Relief to Veterans	<p><u>Current law</u> provides up to a \$6,000 exemption in just value for veterans who are at least 62 years of age and who served during a federally recognized war period or veterans who were disabled during active military service.</p> <p><u>This bill</u> provides a <u>complete exemption</u> from property taxes for eligible veterans, <u>except that the dollar amount of the reduction in taxes due because of the exemption is limited to \$5,000 or the amount of taxes actually due for that property tax year, whichever amount is less.</u></p>			
1866	2110	5/17	5/17	Collings	An Act to Establish 5 New Tax Brackets and a Surcharge for Higher Income Levels	<p>This bill:</p> <ol style="list-style-type: none"> 1. Makes <u>modifications to existing income tax brackets.</u> 2. <u>Establishes 5 new tax brackets</u> for income exceeding \$100,000 for persons filing as single individuals or married individuals filing separately, \$150,000 for individuals filing as heads of households and \$200,000 for individuals filing married joint returns or surviving spouses and 3. <u>Imposes a 3% surcharge on incomes of at least \$1,000,000 and a 6% surcharge on incomes of \$10,000,000 or more.</u> 			