



# 126th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2013

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Legislative Document

No. 1446

S.P. 528

In Senate, April 24, 2013

### An Act To Review Tax Expenditures on a Revolving Basis

(AFTER DEADLINE)

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator HASKELL of Cumberland.  
Cosponsored by Representative KNIGHT of Livermore Falls and  
Senator: THOMAS of Somerset, Representatives: GOODE of Bangor, LIBBY of Lewiston,  
STANLEY of Medway.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 36 MRSA §199-C, sub-§4** is enacted to read:

3 **4. Process review.** Beginning January 15, 2014, the committee shall review tax  
4 expenditures on an 8-year cycle that results in each tax expenditure being reviewed at  
5 least once in each 8-year cycle.

6 **Sec. 2. Review process; review and recommendations.** By January 1, 2014,  
7 the Joint Standing Committee on Taxation shall analyze the process for review of tax  
8 expenditures subject to review under the Maine Revised Statutes, Title 36, chapter 10.  
9 The committee shall organize the tax expenditures into 8 groupings based on similarity of  
10 purpose and function to facilitate the review required under Title 36, section 199-C,  
11 subsection 4. The committee shall determine the most effective way to identify the  
12 purpose of each tax expenditure, methods of evaluating the tax expenditures and the best  
13 method of ensuring effective review of tax expenditures including the advisability of  
14 subjecting each tax expenditure to a periodic automatic repeal with legislation needed to  
15 keep the tax expenditure in operation. The committee shall submit legislation to the  
16 Second Regular Session of the 126th Legislature to implement the results of its review.

17 **SUMMARY**

18 This bill requires the joint standing committee of the Legislature having jurisdiction  
19 over taxation matters to review tax expenditures on an 8-year cycle. The bill also  
20 requires analysis by the committee of the process for review of tax expenditures and a  
21 determination of the most effective way to identify the purpose of each tax expenditure,  
22 methods of evaluating the tax expenditures and the best method of ensuring effective  
23 review of tax expenditures including the advisability of subjecting each tax expenditure to  
24 a periodic automatic repeal with legislation needed to keep the tax expenditure in  
25 operation. The committee is directed to submit legislation to implement the results of its  
26 review to the Second Regular Session of the 126th Legislature.