

Shaded LDs have been voted on by the Committee

2/21/19

**TAXATION COMMITTEE**

jsj 2/21/2019 8:20 AM

**129<sup>th</sup> LEGISLATURE  
1st REG SESSION**

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT <sup>1</sup>	
								FY19	FY120
6	11			Tepler	An Act To Amend the Laws Governing the Home Accessibility Tax Credit	This bill provides that the income tax credit for homestead modifications to improve accessibility for an individual with a disability or physical hardship is refundable if the individual is 65 years of age or older and the individual's Maine adjusted gross income is equal to or less than 138% of the federal poverty level.			
22	64	1/30	2/6	Craven	An Act To Exempt from Taxation Sales to Small Nonprofit Organizations	This bill provides a sales tax exemption and a service provider tax exemption for sales TO incorporated nonprofit organizations with annual gross receipts of less than \$40,000.  "Non-profit" means an IRC Sec. 501(c) exempt organization  Testimony at PH indicated 1. Bill should provide exemption for sales BY not TO an incorporated nonprofit organization. 2. Gross receipts threshold should be raised to \$60,000.  MRS may have questions when intent is clarified.	tabled	Preliminary estimate MRS Revenue impact (\$250,000) Annual Admin. cost \$50,000	
35	490			C'Connor	An Act To Exempt All Disabled Veterans in Maine from All Income Tax and To Increase Their Homestead Exemption to \$50,000	This bill increases the homestead exemption to \$50,000 for veterans of the United States Army, Navy, Air Force, Marines or Coast Guard who are receiving disability compensation from the United States Government due to a service-connected disability and provides an income tax deduction for all income of those individuals.			
43	184			Cebra	RESOLUTION, Proposing an Amendment to the Constitution of Maine To Dedicate All Sales Taxes	This resolution proposes to amend the Constitution of Maine to dedicate all sales and use tax revenue from sales of motor vehicles and sales related to motor			

<sup>1</sup> . 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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					from All Vehicle Sales and Vehicle-related Sales to the Highway Fund for Roads and Bridge Capital Improvements	vehicles to the Highway Fund for roads and bridge capital improvements. The State Controller is directed to make monthly transfers of 100% of the revenue based on actual sales, as certified by the State Tax Assessor, to the Highway Fund for roads and bridge capital improvements.			
62	1232	1/30	2/6	Bailey	An Act To Enhance the Senior Volunteer Benefits Program	<p>This bill increases the maximum benefit that a municipality may provide under a senior volunteer benefit program from \$750 to the greater of \$1,000 and 100 times the state minimum hourly wage.</p> <p>Sponsor requested change to <u>\$1,100 or 100 times the state minimum hourly wage.</u></p> <p>MRS raises no administrative concerns.</p>	OTP/ Otpa	Preliminary estimate MRS Revenue impact Admin costs	negligible can be absorbed
65	434			Beebe-Center	An Act To Allow Municipalities To Impose a Seasonal or Year-round Local Option Sales Tax	<p>This bill allows a municipality to impose a local option sales tax, which may be seasonal, if approved by referendum of the voters in that municipality. The referendum question must identify the rate of the local option sales tax, specify the months during which it will be imposed if not year-round and identify the purposes for which the revenue will be used. The local option sales tax would be collected and administered by the State in the same manner as the sales and use tax. Revenue from the local option sales tax is distributed to the municipality imposing the local option sales tax. Revenue received by a municipality may not be used to reduce or eliminate funding otherwise due the municipality under other provisions of law.</p>			
70	91	1/30	2/6	Herbig	An Act To Support the Trades through a Tax Credit for Apprenticeship Programs	<p>This bill permits an employer who employs an apprentice participating in an approved apprenticeship program to receive a tax credit and provides for a partial credit if the employer employs a participating apprentice for fewer than 2,000 hours during a calendar year.</p> <p>This bill is essentially the same as LD as amended in the 128<sup>th</sup> Legislature. LD 781 was carried over on the Appropriations Table and died there at the end of the 128<sup>th</sup> Legislature.</p> <p>MRS indicates appropriation might be more efficient than a tax incentive.</p>	OTPA	Preliminary estimate MRS Rev impact Admin cost	(\$2,500,000) Annual \$33,000(one time)

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71	1281	1/30	2/6	Guerin	An Act To Reinstate the Income Tax Deduction for Contributions to College Savings Accounts	This bill reinstates the income tax deduction for certain contributions to qualified tuition programs under Section 529 of the Internal Revenue Code up to \$250 per designated beneficiary. This deduction was in effect from 2006 to 2015.  Bill needs application date.  MRS indicates appropriation might be more efficient than a tax incentive	OTPA	Preliminary estimate MRS  Rev impact (\$250,000) Annual  Admin cost \$22,000(one time)	
72	296	2/6	2/20	Dill (By Request)	An Act To Provide an Income Tax Exemption for Military Pay without Regard to Where the Military Service Was Performed	This bill provides an income tax exemption for military compensation for active duty service by members of the Armed Forces of the United States, including reserve components, when that service is performed within the State.  Military compensation for service performed outside of the State is currently exempt from taxation.	OTPA	Preliminary estimate MRS  Rev impact (\$500,000) Annual  Admin cost absorbed	
73	581			Pouliot	An Act To Provide an Income Tax Credit for Certain Student Loan Repayments	This bill provides an income tax credit for certain student loan repayments made by the Finance Authority of Maine or an entity managed or administered by the Finance Authority of Maine. The credit is equal to the amount an individual is required to include in federal adjusted gross income as the result of student loan payments made directly to the individual's student loan lender by the Finance Authority of Maine, or an entity managed or administered by the Finance Authority of Maine, for residents of the State employed by a business located in the State multiplied by the individual's highest federal marginal income tax rate.			
77	298			O'Connor	An Act To Increase the Homestead Property Tax Exemption to \$50,000 for Persons 75 Years of Age and Older	This bill increases the property tax exemption for individuals who are 75 years of age or older from \$20,000 to \$50,000 for property tax years beginning on or after April 1, 2020.			
85	864	1/30	2/6	Corey	An Act To Establish a Sales Tax Exemption and an Income Tax Deduction for the Purchase of Firearm Safety Devices	This bill provides a sales tax exemption for the purchase of firearm safety devices and an income tax deduction of up to \$250 for the purchase of a safe or lockbox for securing firearms.	OTPA	Preliminary impact MRS  Revenue impact Clarifications needed to estimate	

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						Sponsor proposed amendment to change IT deduction to 25% of the amount spent during a tax year to purchase a safe or lockbox up to a maximum of \$250.  MRS has language and administrative concerns if Committee intends to move forward with the bill.		Admin impact	\$11,000 (one time)
86	469	1/30	2/6	Kinney	An Act To Provide That Persons Who Produce Maple Syrup and Honey Commercially Are Eligible for the Sales Tax Refund and Exemption for Commercial Agricultural Production	This bill expands the sales tax refund and exemption for commercial agricultural production to include the commercial production of maple syrup and honey.  Under current law, production of maple syrup is divided into 2 categories: 1. Reducing the sap to maple syrup is considered "manufacturing" and equipment and electricity are entitled to a separate exemption for manufacturing. 2. Getting the sap to the production facility is commercial agricultural activity; however, current law requires that equipment must be used 50% of the time in that activity.	OTP  Fn???	Preliminary impact MRS  Revenue impact negligible Admin costs can be absorbed	
104	163			Vitelli	An Act To Expand the Earned Income Tax Credit in Maine	This bill expands the earned income tax credit by increasing the credit from 5% to 15% of the federal earned income tax credit and extending the credit to persons from 18 to 24 years of age who have no qualifying child.  This bill also requires the Department of Labor, Bureau of Labor Standards to provide a poster or notice to employers that states that employees may be eligible for the earned income tax credit. This bill requires employers to post the poster or notice in a place that is accessible to the employers' employees.			
107	1124			Hanley	An Act To Lower the Maine Individual Income Tax Incrementally to Zero	This bill provides for the phase-out of the individual income tax.			
118	636			Cebra	An Act To Direct Vehicle Excise Tax Revenue for Local Transportation Infrastructure	This bill provides that revenue received by a municipality from the vehicle excise tax must be use for maintenance or improvement of transportation infrastructure within that municipality.			
119	181			Cebra	An Act To Base the Motor Vehicle Excise Tax on the Sale Price	This bill changes the method of computing the excise tax that is levied on motor vehicles and camper trailers registered in the State.			

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						<p>With the exception of certain commercial motor vehicles and buses and special mobile equipment, current law requires that the excise tax be based upon the maker's list price for the motor vehicle; the excise tax on certain commercial motor vehicles and buses and special mobile equipment is based on the purchase price.</p> <p>This bill requires that the excise tax for all motor vehicles and camper trailers be based upon the purchase price of the vehicle. Either the original bill of sale or the state sales tax document may be used to verify the purchase price.</p> <p>Current law requires the State to reimburse a municipality for the difference in the amount of excise tax that would have been collected by the municipality on each commercial motor vehicle or bus using the manufacturer's suggested retail price instead of the actual purchase price.</p> <p>This bill applies that requirement to all vehicles registered and taxed by the municipality using the actual purchase price.</p>			
124	1043	2/6		Cooper	An Act To Exempt from Sales Tax an Island-based Nonprofit Provider of Ambulance Services	<p>This bill provides a sales tax exemption for sales of watercraft that will be used to provide ambulance services and sales of ambulance supplies to an incorporated nonprofit transportation company that provides ambulance services from an island not served by a bridge to the mainland pursuant to a written agreement with a municipality to provide ambulance services without charge. An incorporated nonprofit transportation company providing ambulance services using watercraft certified and inspected by the United States Coast Guard is not required to be licensed as an ambulance service in order to be eligible for the exemption.</p>			
133	542			Evangelos	An Act To Fully Restore State-Municipal Revenue Sharing for Fiscal Year 2018-19	<p>This bill restores state-municipal revenue sharing to 5% from 2% for the entire fiscal year 2018-19. The law currently requires revenue sharing to revert to 5% beginning July 1, 2019.</p>			
146	183			Cebra	An Act To Make the Assessment and Collection of Personal Property Taxes Optional for Municipalities	<p>This bill allows a municipality, by referendum, to exempt all personal property located in that municipality from assessment and collection of tax by that</p>			

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						municipality.			
156	281			Miramant	An Act To Allow Regional Service Center Municipalities To Assess an Additional One Percent Sales Tax for Infrastructure Costs	This bill allows a municipality that is a service center community to impose a local option sales tax of no more than 1% by local referendum for the purpose of funding local infrastructure costs.			
162	167	2/6	2/20	Bellows	An Act To Eliminate the State Income Tax on Maine Public Employees Retirement System Pensions	<p><u>Retirement benefits</u> under state, local or federal <u>government retirement plans</u> that are based on employment compensation for which <u>contributions are not made to the federal Social Security system</u> (uncovered civil service retirement (CSR) plans) may result in reductions in the amount of Social Security benefits that a retiree is eligible to receive under the federal windfall elimination provision (retiree) or the government pension offset (spouse and surviving spouse). The formulas are complicated.</p> <p>This bill provides an <u>income tax exemption</u> for those retirement benefits from <u>uncovered CSR plans</u>.</p> <p>This bill is identical to LD 276.</p> <p>MRS has technical drafting concern.</p>	OTPA	<p>Preliminary estimate MRS</p> <p>Rev impact (\$30,000,000) Annual</p> <p>Admin cost can be absorbed</p>	
163	409			Farrin	An Act Regarding Property Tax Relief for Veterans	This bill provides enhanced property tax exemptions for certain veterans. A veteran regardless of age becomes eligible for a \$25,000 exemption if the veteran has served at least 90 days of active service and has served in a combat zone. A veteran with a service-connected disability becomes eligible for a \$50,000 exemption if the disability is rated 50% to 90% and a \$100,000 exemption if the disability is rated 100%. A surviving unremarried spouse, minor child or parent who is receiving a pension based on the service of a deceased veteran qualifies for the same exemption the veteran would have been eligible for. A municipality is reimbursed for the constitutionally mandated 50% of the property tax revenue loss as a result of the enhanced exemption.			
164	268			Pouliot	An Act To Reduce Property Taxes for Maine Residents	This bill increases the total exemption under the Maine resident homestead property tax exemption program to \$50,000 for property tax years beginning on or after April 1, 2020. This bill also increases state reimbursement to municipalities for homestead property			

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						tax exemptions from 62.5% to 100% for property tax years beginning on or after April 1, 2020.			
193	328			Harnett	An Act To Fully Fund and Restore State-Municipal Revenue Sharing	This bill restore state-municipal revenue sharing to 5% from 2% 6 months earlier than currently provided in law.			
241	1682			O'Neil	An Act To Adjust the Personal Property Tax Exemption for Farm Machinery	This bill increases the maximum aggregate amount of the exemption from property taxation for farm machinery from \$10,000 to \$45,000.  Effective date is needed.			
268	68	2/6	2/20	Jackson	An Act To Create a Credit under the Commercial Forestry Excise Tax for Landowners Using Businesses Based in the United States	<p>This bill provides a <u>credit against the commercial forestry excise tax (CFET)</u>for</p> <ol style="list-style-type: none"> <li>1. Landowners who are <u>based in the US</u> and</li> <li>2. Who employ and retain businesses or contractors that are <u>based in the US</u>, that: <ol style="list-style-type: none"> <li>A. Employ at least 75% United States residents and</li> <li>B. That are current in the payment of all state and local taxes.</li> </ol> </li> </ol> <p>“Based in the US” means the business has a bona fide place of business in the US from which US operations are managed.</p> <p>The bill also requires recapture of the credit if a recipient is found to have been ineligible.</p> <p>This bill is the same as LD 1744 as amended by ComAmdt “A” and SenAmdt “A” enacted in the 128<sup>th</sup> Legislature, vetoed by the Governor and veto sustained.</p> <p>The CFET “reimburses” the GF for 40% of the net state cost of forest fire protection activities.</p> <p>The tax is a calculated amount per acre of forestland over 500 acres per landowner.</p> <p>CFET revenue:  FY 16 \$2,485,425  FY 17 \$2,311,014  FY 18 \$2,052,950</p> <p>MRS has several concerns with the LD as written.</p>	table	<p>Preliminary estimate MRS</p> <p>Rev impact (\$0 to \$3,000,000 Annual</p> <p>Admin cost \$2,500</p>	

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276	533	2/6	2/20	Miramant	An Act To Provide Equity in the State Income Tax Deduction for Maine Public Employees Retirement System Pensions	<p>Retirement benefits under state, local or federal government retirement plans that are based on employment compensation for which contributions are not made to the federal Social Security system (uncovered CSR plans) may result in reductions in the amount of Social Security benefits that a retiree is eligible to receive under the federal windfall elimination provision (retiree) or the government pension offset (spouse and surviving spouse). The formulas are complicated.</p> <p>This bill provides an <u>income tax exemption</u> for those retirement benefits from <u>CSR plans</u>.</p> <p><u>This bill is identical to LD 162.</u></p> <p>MRS has technical drafting concern.</p>	ONTP	Preliminary estimate MRS Rev impact (\$30,000,000) Annual Admin cost can be absorbed	
286	397			Tepler	An Act To Provide a Sales Tax Exemption for Feminine Hygiene Products	This bill provides a sales tax exemption on the purchase of feminine hygiene products effective 10/1/19.			
349	1627			Beebe-Center	An Act To Extend the Refundability of the Educational Opportunity Tax Credit to Students in the Behavioral Health Field	This bill provides that students receiving bachelor's degrees or associate degrees in a behavioral health field are entitled to a refundable income tax credit for certain education loans in the same manner as students receiving degrees in science, technology, engineering or mathematics.			
335	890			Warren	An Act To Require the State To Distribute 25 Percent of Adult Use Marijuana Retail Sales and Excise Tax Revenue to Generating Municipalities	This bill allocates 25% of the gross sales and excise tax revenue generated by adult use marijuana establishments in the State to the municipalities where the revenue was generated and makes a reduction to the amount deposited in the Adult Use Marijuana Public Health and Safety Fund.			
393	154			Cooper	An Act To Change the Eligibility Requirements for the Property Tax Fairness Credit	This bill changes the formula for calculation of the property tax fairness credit to expand the credit to residents whose property taxes or rent constituting property taxes on homestead property exceeds 5%, rather than 6% in current law, of the residents' income for tax years beginning on or after January 1, 2020.			



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403	257			Tipping	An Act To Prevent Tax Haven Abuse	This bill requires corporations that file unitary income tax returns in Maine to include income from certain jurisdictions outside the United States in net income when apportioning income among tax jurisdictions. The State Tax Assessor is required to adopt major substantive rules to determine the income or loss attributable to such corporations and to prevent double taxation or deduction of income. The assessor is required to submit an annual report to the joint standing committee of the Legislature having jurisdiction over taxation matters regarding whether jurisdictions should be added to or deleted from the list of tax havens based on specified criteria.			
420	573			Collings	An Act To Amend the Maine Exclusion Amount in the Estate Tax	This bill reduces the exclusion amount, below which the Maine estate tax does not apply, to \$2,000,000 from \$5,600,000 for estates of decedents dying on or after January 1, 2020 and removes the annual adjustment for inflation of that exclusion amount.			
424	2028			O'Neil	An Act To Provide a Sales Tax Exemption for Baling Twine, Net and Wrapping for Hay	This bill provides a sales tax exemption for baling twine, net and wrapping for hay effective 10/1/19.			
444	165			Bellows	An Act To Fully Restore Revenue Sharing	This bill restores state-municipal revenue sharing to 5% from 2% 3 months earlier than currently provided in law.			
448	1799			Gratwick	An Act Repealing Tax Lien Foreclosure Requirements	<p>This bill removes the provisions enacted in Public Law 2017, chapter 478 that established a preforeclosure process that municipalities must use in order to foreclose on homestead property for nonpayment of property tax if the owner is 65 years of age or older and has income and liquid assets below specified limits.</p> <p>PL 2017, chapter 478 also places specific notice requirements regarding the foreclosure process on the State Tax Assessor and municipalities and provides for continuous eligibility under the Maine resident homestead property tax exemption for a person who loses ownership of a homestead to tax lien foreclosure and subsequently regains ownership of the homestead; these provisions are also removed by this bill.</p> <p>This bill is identical to LD 451.</p>			

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451	325			Moore	An Act To Repeal the Recently Enacted Changes to the Law Governing Tax Lien Foreclosure	<p>This bill removes the provisions enacted in Public Law 2017, chapter 478 that established a preforeclosure process that municipalities must use in order to foreclose on homestead property for nonpayment of property tax if the owner is 65 years of age or older and has income and liquid assets below specified limits.</p> <p>PL 2017, chapter 478 also places specific notice requirements regarding the foreclosure process on the State Tax Assessor and municipalities and provides for continuous eligibility under the Maine resident homestead property tax exemption for a person who loses ownership of a homestead to tax lien foreclosure and subsequently regains ownership of the homestead; these provisions are also removed by this bill.</p> <p>This bill is identical to LD 448</p>			
452	1771			Moore	An Act To Change the Penalty When Land under the Maine Tree Growth Tax Law Is Transferred	<p>This bill provides that if land classified under the Maine Tree Growth Tax Law is to be transferred, the owner must notify the assessor of the intended transfer and the intended transferee of a potential withdrawal penalty. If land is transferred, a withdrawal penalty must be assessed against the transferor unless the intended transferee notifies the assessor of intent to maintain eligibility of the land for tree growth classification.</p>			
465	783			Stewart	An Act To Eliminate the Service Provider Tax on Services Covered by Medicaid	<p>This bill repeals portions of the service provider tax that apply to services that are covered by the federal Medicaid program.</p>			
483	591			Pouliot	An Act To Improve the Maine Seed Capital Tax Credit Program	<p>This bill increases the total annual aggregate amount of credits that may be issued under the Maine Seed Capital Tax Credit Program from \$5,000,000 to \$10,000,000, decreases the total aggregate credits that may be authorized for any one business from \$5,000,000 to \$3,500,000 and requires that eligible businesses that provide a product or service that is sold or rendered predominantly outside the State maintain more than 50% of their employees in positions within the State.</p>			
518	652			Brooks	An Act To Change the Exclusion Amount under the Estate Tax	<p>This bill reduces the exclusion amount, below which the Maine estate tax does not apply, to \$1,000,000 from \$5,600,000 for estates of decedents dying on or after January 1, 2020 and removes the</p>			

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						annual adjustment for inflation of that exclusion amount.			
529	133			Cooper	An Act To Provide Property Tax Deferral for Senior Citizens and People with Physical Disabilities	<p>This bill reinstates the State's property tax deferral program, which was in effect for applications filed before April 1, 1991. The bill modifies the program to include households with at least one individual who is 65 years of age or older or who retired from gainful employment due to physical disability and to surviving spouses who are at least 60 years of age and provides that household income must be less than \$40,000. This limit is indexed for inflation in 2020 and annually thereafter.</p> <p>This bill limits the total amount of property taxes that a taxpayer may defer to 80% of the taxpayer's equity in the property and requires the Finance Authority of Maine to establish a loan program to ensure adequate funding of reimbursements to municipalities.</p>			
560	2224			Grohoski	An Act To Improve Access to Property Tax Exemptions for New Homeowners	This bill provides that a permanent resident of the State who owns a homestead in the State does not need to own the homestead for the preceding 12 months in order to qualify for the Maine resident homestead property tax exemption.			
561	410			Blume	An Act To Exempt from Taxation Certain Out-of-state Pensions	<p>This bill exempts from Maine income tax certain income from out-of-state pensions in order to avoid double taxation of that income. The exemption is only for the amount of the contribution made by the taxpayer divided by the life expectancy of the taxpayer and applies only if the income is included in federal adjusted gross income and not deducted under the general pension deduction.</p> <p>In order to qualify for the exemption, the contribution must have been made using income on which income tax was paid and is available only if the state in which the taxpayer resided at the time of the contribution provides a similar exemption to a former resident of Maine.</p>			
564	838			Blume	An Act To Encourage the Installation of Solar Panels on Residential Property	This bill provides a property tax exemption for solar panels and associated equipment installed on residential property that qualifies for a homestead exemption.			

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604	1687			Chenette	An Act To Create an Electric Vehicle Tax Credit	This bill provides an income tax credit for the purchase of a new plug-in electric-drive motor vehicle that is eligible for a federal income tax credit. The credit is \$300 plus \$50 for each kilowatt-hour of battery capacity in excess of 5 kilowatt-hours up to a maximum credit of \$1,500.			
607	496			Guerin	An Act To Provide Equitable Taxation for the Food and Beverage Industry	This bill allows a deduction from Maine individual and corporate taxable income for the federal tax credit allowed to an employer for the employer's share of federal social security taxes paid on the portion of an employee's tips that cause the employee's wages to exceed \$5.15 per hour. Under federal tax law, the credit amount must be subtracted from the taxpayer's otherwise deductible expenses, which increases federal taxable income. Under current Maine law, when an employer takes the credit available under the federal Internal Revenue Code, the employer receives neither a Maine credit nor a return of the federal disallowed deduction for Maine taxable income purposes.			
609	1234			Terry	An Act To Provide Municipalities Additional Sales Tax Revenue from Lodging Sales	This bill provides an incremental sales tax of 1% for those sales currently subject to the 9% sales tax on lodging. The incremental revenue, after reduction for administrative costs, is returned to the municipality or unorganized territory to which the revenue is attributable. The amount received may not be used to reduce any other state aid or revenue sharing to municipalities or the unorganized territory.			
625	612			Stanley	An Act To Phase Out the Insurance Premium Tax on Annuities	<p>This bill phases out the insurance premium tax on annuity considerations over 4 years beginning in 2020. The bill reduces the current rate of 2% of gross direct premiums to:</p> <ul style="list-style-type: none"> <li>1.5% in 2020</li> <li>1% in 2021</li> <li>0.5% in 2022</li> <li>0% in 2023 forward</li> </ul> <p>During the phase-out period, the prescribed rate applies only if the insurer credits the savings from the rate reductions to annuity holders.</p> <p>The bill also specifies that certain deductions related to</p>			

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						annuities may be deducted only from annuity considerations for tax periods beginning on or after January 1, 2020.			
645	565			Craven	RESOLUTION, Proposing an Amendment to the Constitution of Maine To Cap the Property Tax on the Primary Residence of Certain Residents Who Are 65 Years of Age or Older	This resolution proposes to amend the Constitution of Maine to authorize the Legislature to require municipalities to cap property taxes on property owned and occupied as a person's primary residence if that person is at least 65 years of age and the household income for the residents of the property does not exceed 400% of the federal poverty level. The tax would be stabilized at the amount assessed on the property on the later of the date by which the person attained 65 years of age or purchased the property. Upon transfer of the property to someone other than a family member of the owner, the property would assume the just value at the time of transfer. The State would be required to reimburse a municipality for any revenue lost due to the cap on property taxes.			
655	1370			Ordway	An Act To Allow Municipalities To Send Separate Tax Bills for Municipal and County and School Taxes	This bill permits municipalities to issue separate bills for the portion of their tax commitments attributable to education funding and the portion attributable to county taxes and all other municipal costs.			
660	712			Mastraccio	An Act To Exempt Sales to Parent-Teacher Organizations from the Sales Tax	This bill provides a sales tax exemption to a parent-teacher organization organized as a public benefit corporation.			
669	718			Morales	An Act To Provide Housing Relief for Maine Families and Seniors	This bill replaces the property tax fairness credit with a housing relief credit for tax years beginning on or after January 1, 2020. Resident individuals are eligible for the housing relief credit if their income is equal to or less than the area median income identified by the federal Department of Housing and Urban Development. The credit is equal to the amount by which a resident individual's housing cost exceeds 25% of the individual's income. Housing cost includes payments made for the purpose of maintaining a homestead, including property tax payments, property insurance payments, mortgage payments, rent payments and payments for heat, electricity, water and sewer, including well and septic maintenance. The maximum credit is \$3,000 for resident individuals under			

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						70 years of age as of the last day of the taxable year or \$4,000 for resident individuals 70 years of age and older as of the last day of the taxable year.			
682	692			Bailey	An Act To Provide Seniors and Certain Persons with Disabilities Assistance with Property Taxes through the Deferral of Those Taxes	This bill reinstates the State's property tax deferral program, which was in effect for applications filed before April 1, 1991. The bill modifies the program to include households with at least one individual who is 65 years of age or older or who is unable to continue employment due to disability and to surviving spouses who are at least 60 years of age or who are unable to continue employment due to disability and provides that income must be less than \$40,000. This income limit is indexed for inflation in 2021 and annually thereafter. The bill also changes the rate of accrual of interest on deferred property taxes from 6% to the prime rate published in the Wall Street Journal rounded up to the next whole percent minus one percentage point. The bill adds a maximum liquid asset standard for eligibility of property owners and provides that property may not be subject to deferral under both the state deferral program and a municipal deferral program.			
709	1432			Berry	An Act To Exempt Certain Meals Provided to Food Service Employees from the Sales and Use Tax	This bill exempts from sales and use tax meals, up to a maximum cost to the employer of \$6 per day, provided to an employee of an eating establishment while that employee is working. It provides that, beginning in 2020, the amount of the exemption must be adjusted for inflation.			
725	1917			Fay	An Act To Provide an Income Tax Credit To Encourage Small Business Hiring	This bill provides a new employee hiring incentive by means of an income tax credit for employers with an average of 25 or fewer full-time employees during a tax year. The credit is equal to the amount of federal social security tax and Medicare tax paid by the employer for the first 40 hours of employment for new employees who are employed for at least 12 consecutive months for year-round jobs or at least 2 consecutive seasons for seasonal jobs.			
726	2048			McCrea	An Act To Make Sales to Area Agencies on Aging Tax-exempt	This bill provides an exemption from the sales and use tax to area agencies on aging, as designated by the Department of Health and Human Services, and public and private nonprofit agencies that are operating under grants provided by the department, that provide social services in order to secure and maintain maximum independence and dignity in a home environment for			

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								FY19	FY120
						older people capable of self-care with appropriate supportive services.			
731	723			Tipping	An Act To Amend the Maine Tax Laws	This bill is a concept draft pursuant to Joint Rule 208.  This bill proposes to amend the Maine tax laws.			
732	499			Tipping	An Act To Provide a Sales Tax Exemption for Nonprofit Career and Technical Student Organizations	This bill provides a sales tax exemption to nonprofit career and technical education student organizations recognized by the Department of Education.			
751	882			Skolfield	An Act To Reinstate the State Property Tax Deferral Program for Maine's Senior Homeowners	This bill reinstates the State's elderly property tax deferral program, which until April 1, 1991 provided a mechanism allowing qualifying senior homeowners to defer property tax payments and required the State to pay the property taxes on behalf of the homeowners. This bill modifies the program's eligibility standards by increasing the household income threshold from less than \$32,000 to less than \$40,000 and adding a liquid asset limit. The bill makes the existing abatement and appeal processes available in cases in which the State Tax Assessor disagrees with the municipal assessment of a property eligible for enrollment in the program.			
811	770			Hamper	An Act To Provide Additional Flexibility in the Municipal Property Tax Assistance Programs for Seniors	This bill amends the law regarding municipal property tax assistance programs to provide more flexibility to municipalities that choose to implement a program by allowing the municipality to establish:  1. A minimum age for eligibility, as long as that age is at least 62 years; and  2. A minimum length of time that the claimant has maintained a homestead in the municipality.  A municipality may impose other eligibility standards and procedures, as long as they are established by ordinance.			
812	1387			Chenette	An Act To Stabilize Property Taxes on Homesteads of Individuals Who Are 66 Years of Age or Older	This bill permits a municipality to maintain the property tax on the homestead of a permanent resident who is at least 66 years of age or older at the amount billed in the year prior to an application for stabilization. The amount by which the tax assessed exceeds the stabilized amount must be paid to the municipality by the State. An applicant for stabilization must be a			

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						permanent resident of the State and must have received a property tax fairness credit for the income tax year preceding application for stabilization. An application for stabilization must be made each year to continue eligibility.			
824	645			Theriault	An Act To Allow A Municipality To Opt Out of Collecting Personal Property and Business Equipment Taxes	This bill allows a municipality, by referendum, to exempt all personal property, including business equipment, located in that municipality from assessment and collection of tax by that municipality.			
837	710			Mastraccio	An Act To Increase the Homestead Property Tax Exemption for Certain Persons Who Are at Least 75 Years of Age	This bill provides an additional \$30,000 homestead property tax exemption, for a total exemption of \$50,000, for persons who are 75 years of age or older and claimed the homestead as a permanent residence for 10 or more years. The bill requires the State to reimburse municipalities 100% of the revenue lost as a result of the increased exemption for persons 75 years of age or older.			
839	566			Cloutier	An Act To Increase Funding For Multimodal Transportation	This bill increases the sales tax on short-term rentals of automobiles, small trucks and vans from 10% to 15% to provide funding for multimodal transportation. The increase takes effect October 1, 2019.			
854	311			Ackley	An Act To Improve Tax Incentives for Broadband Service	This bill expands the allowable use of tax increment financing to include development, expansion or improvement of broadband services, including connecting to broadband service outside the tax increment financing district.			
863	391			Tepler	An Act To Exempt Diapering Products from Sales Tax	This bill provides a sales tax exemption for disposable and reusable diapers for children, including diaper covers, wraps and diaper pins that are used with reusable diapers.			
873	2173			Grignon	An Act To Limit Registration Fees on Water Well Drilling Equipment To Encourage Purchasing of Modern Equipment for Rural Well Construction	This bill sets the annual personal property tax on equipment for water well drilling owned by a license well driller at \$2,500 for tax years beginning January 1, 2020 and thereafter.			
887	128			Blume	An Act To Improve the Property Tax Fairness Credit	This bill increases the maximum credit available under the property tax fairness credit to \$2,000 for resident individuals, regardless of age. Current law provides a maximum credit of \$750 for resident individuals under 65 years of age and \$1,200 for resident individuals 65 years of age and older. This bill			



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						also removes the inclusion of benefits received under the federal Social Security Act and railroad retirement benefits from being included as income for purposes of determining the credit.  The credit is fully refundable after the application of nonrefundable credits.			
892	448			Vitelli	An Act To Exempt MaineCare Appendix C Private Nonmedical Institutions from the Service Provider Tax	This bill repeals the service provider tax for so-called MaineCare Appendix C private nonmedical institutions, which are residential care facilities maintained wholly or partly for the purpose of providing residents with medical and remedial treatment services. The service provider tax continues to apply to private nonmedical institution services that are provided by MaineCare Appendix B, D, E or F private nonmedical institutions.			
903	868			Cuddy	An Act To Improve Corporate Tax Fairness by Amending the Rates Imposed on Corporate Income	This bill establishes 2 new tax brackets and 3 new rates for corporate income tax purposes for tax years beginning on or after January 1, 2020. Under the bill, corporate income between \$2,000,000 and \$3,000,000 is taxed at the rate of 8.5% and corporate income between \$3,000,000 and \$3,500,000 is taxed at the rate of 8.75%; such income is taxed under current law at the rate of 8.33%. The top tax rate, which is imposed on corporate income over \$3,500,000, is increased from 8.93% to 9%.			
905	2024			Daughtry	An Act To Exempt Long-term Capital Gains from Income Tax for Certain Income Levels	This bill exempts from Maine income tax net capital gains on the sale of securities held for 10 years or longer and that are subject to federal income tax for individuals with federal adjusted gross income of \$300,000 or less if filing married joint returns and \$150,000 or less for all other individuals.			
922	1819			Cooper	An Act To Provide a Property Tax Exemption for Renewable Energy Fixture	This bill provides a property tax exemption for renewable energy fixtures installed on or after September 1, 2019.			
957	621			Ingwersen	An Act To Increase the Property Tax Fairness Credit	This bill increases the maximum credit available under the property tax fairness credit from \$750 to \$1,000 for resident individuals under 65 years of age and from \$1,200 to \$1,500 for resident individuals 65 years of age and older and decreases the threshold from 6% to 5% of the resident individual's income for purposes of calculating the credit.			

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958	2209			Tipping	An Act To Amend the Maine Income Tax Laws	<p>This bill is a concept draft pursuant to Joint Rule 208.</p> <p>This bill proposes to amend the Maine income tax laws.</p>			
963	2174			Grignon	An Act To Exempt Overtime Pay from Individual Income Tax	<p>This bill excludes from income tax overtime compensation if the employer is required by law to pay the overtime compensation to the employee.</p>			