

TAXATION COMMITTEE

jsj 1/18/2019 10:32 AM

**129th 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 ¹	
								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		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 incorporated nonprofit organizations with annual gross receipts of less than \$40,000.			
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 from All Vehicle Sales and Vehicle-related Sales to the Highway Fund for Roads and Bridge Capital Improvements	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 vehicles to the Highway Fund for roads and bridge capital improvements.			
62	1232	1/30		Bailey	An Act To Enhance the Senior Volunteer Benefits Program	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.			

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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65	434			Beebe-Center	An Act To Allow Municipalities To Impose a Seasonal or Year-round Local Option Sales Tax	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.			
70	91	1/30		Herbig	An Act To Support the Trades through a Tax Credit for Apprenticeship Programs	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.			
71	1281	1/30		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.			
72	296			Dill	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.			
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			

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						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		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.			
86	469	1/30		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.			
104	163			Vitelli	An Act To Expand the Earned Income Tax Credit in Maine	<p>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.</p> <p>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.</p>			
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			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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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			Bellows	An Act To Eliminate the State Income Tax on Maine Public Employees Retirement System Pensions	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 result in reductions in the amount of Social Security benefits that a retiree is eligible to receive under the federal windfall elimination provision. This bill provides an income tax exemption for those retirement benefits.			
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 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.			