

2/2/17

TAXATION COMMITTEE

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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	
								FY18	FY19
16	515			Foley	An Act To Exempt Certain Individuals Who Are 70 Years of Age or Older from Maine Income Tax	Provides a 100% income tax exemption for a retired individual who is 70 years of age or older.	m		
26	601			Cebra	An Act To Lower the Maine Motor Vehicle Excise Tax	This bill reduces motor vehicle excise tax mill rates by 10% each year beginning with 2018 registration years until the rates reach 50% of the current rates in 2022 and subsequent years.			
27	503	2/1		Turner	An Act To Exempt Sales to Parent-Teacher Organizations from the Sales Tax	This bill provides a sales tax exemption to parent-teacher organizations organized as public benefit corporations.		(<\$50,000)	
72	891	2/15		Pouliot	An Act To Clarify the Tax Laws for Title to Real Estate by Releasing Inheritance Tax Liens	This bill releases a lien on real property for inheritance tax resulting from a death occurring before July 1, 1986, when the inheritance tax was replaced by the estate tax.			
73	473			Mastraccio	An Act To Increase the Homestead Property Tax Exemption for Certain Persons Who Are at Least 75 Years of Age	This bill raises the homestead property tax exemption to \$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 for 100% of the property taxes lost as a result of the increase in the exemption.			
74	474			Mastraccio	An Act To Realign the State-Municipal Revenue Sharing Distribution	The bill proposes to realign the percentage of revenue from the sales and use taxes, the service provider tax and the income taxes that is transferred monthly from the General Fund to the Local Government Fund under state-municipal revenue sharing.			
75	1099	2/1		Spear	An Act To Provide a Sales Tax Exemption for Materials and Equipment That Enable Older Persons and Persons with Disabilities To Remain in Their Homes	This bill provides a sales tax exemption for materials and equipment determined by the Maine State Housing Authority to enable homestead accessibility for an individual who is 75 years of age or older or an individual with a disability or physical hardship to permit the individual to remain in the individual's home.		(<\$100,000)	

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76	133	2/1		Tepler	An Act To Exempt Diapering Products from the Sales Tax	This bill provides a sales tax exemption for disposable and reusable diapers for children, diaper covers and wraps that are used with reusable diapers an diaper pins.		(\$3,000,000+)	
77	79	2/15		Espling	An Act To Exempt from Maine Income Tax Income Earned by Members of the Armed Services While on Active Duty	This bill provides an income tax exemption for military compensation for active duty service by members of the armed forces of the United States when that service is performed within the State. Military compensation for service performed outside of the State is currently exempt from taxation.			
79	552	2/1		Langley	An Act To Provide a Sales Tax Exemption for 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.		(<\$20,000)	
82	344			Diamond	An Act To Exempt Permanently Disabled Veterans from Payment of Property Tax	This bill provides a complete property tax exemption in the municipality of residence for a veteran receiving benefits based on a rating of 100% for a service-connected disability.			
91	1189			Davis	An Act To Provide an Income Tax Credit for Retailers Collecting Sales Tax	This bill provides an income tax credit of \$100 for retailers who collect, report and remit to the State more than \$1,000 in sales tax during the tax year.			
116	119			Golden	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, 2017.			
117	1086			Alley	An Act To Strengthen the Farm and Open Space Tax Law	This bill provides that a landowner with acreage classified under the farm and open space tax law who wishes to add contiguous acreage to a previously classified acreage must demonstrate to the assessor that the additional acreage separately meets the definition of "farmland" that is eligible for classification.			
133	620			Bellows	An Act To Support Lower Property Taxes by Restoring State-Municipal Revenue Sharing	Current law reduces the amount transferred to the Local Government Fund for state-municipal revenue sharing from 5% to 2% for fiscal years 2015-16, 2016-17, 2017-18 and 2018-19. This bill gradually restores the percentage transferred for state-municipal revenue sharing by increasing the percentage transferred to the Local Government Fund to 3% for fiscal year 2017-18 and to 4% for fiscal year 2018-19. Following fiscal year 2018-19, the percentage of state-municipal revenue sharing is scheduled to return to 5%.			

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204	274			Daughtry	An Act To Exempt Veterans with ALS from the Excise Tax on Automobiles	This bill exempts from excise tax an automobile owned by a veteran who has been diagnosed with amyotrophic lateral sclerosis.			
205	1280	2/15		Ordway	An Act To Exempt Certain International Athletic Competition Prizes from Maine Income Tax	This bill provides an income tax exemption for prizes awarded as the result of competition in certain international athletic contests.			
206	9			Campbell	An Act To Exempt Feminine Hygiene Products from Sales Tax	This bill provides a sales tax exemption on the purchase of feminine hygiene products.			
235	140	2/15		Brakey	An Act To Repeal the Service Provider Tax	This bill repeals the service provider tax effective October 1, 2017.			
289	185			Stanley	An Act To Extend the Veteran Property Tax Exemption to Veterans Who Have Served on Active Duty	Current law provides a property tax exemption to a veteran of the Armed Forces of the United States but only if the veteran served during a federally recognized war period and is at least 62 years of age or was disabled during active military service. The amount of the exemption varies depending on when the veteran served and whether the veteran is a paraplegic. This bill removes the requirement that the veteran must have served during a federally recognized war period, making the exemption available to all veterans of the Armed Forces of the United States who are 62 years of age or older or have qualifying disabilities. This bill does not change the amounts of the exemption or the other qualifying conditions.			
290	901			Chace	An Act To Phase Out the Insurance Premium Tax on Annuities	This bill phases out the insurance premium tax on annuity considerations over 4 years beginning in 2018. Annuity considerations are no longer subject to insurance premium tax beginning in 2021.			
291	318			Campbell	An Act To Maintain the Income Tax Rate on Persons with Taxable Income above \$200,000	This bill decreases the rate of tax imposed on the income of resident individuals on income in excess of \$200,000 from 7.15% to 4.15%.			
311	1897			Brakey	An Act To Eliminate Corporate Welfare and Provide Tax Relief	This bill is a concept draft pursuant to Joint Rule 208. This bill proposes to eliminate certain corporate tax expenditures and use the savings to reduce the individual income tax rates.			
330	988			Kornfield	An Act To Provide and Income Tax Credit for Employer Contributions to Section 529 Qualified Tuition Programs	This bill provides an income tax credit to an employer that makes up to \$1,000 in matching contributions on behalf of an employee to a qualified tuition program, sometimes referred to as a college savings program, established by the employee under Section 529 of the federal Internal Revenue Code.			

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331	800			Stetkis	An Act To Protect Jobs and the Maine Economy by Eliminating the 3% Income Tax Surcharge imposed on Certain Mainers and the Fund To Advance Public Kindergarten to Grade 12 Education	This bill repeals the provisions establishing the Fund to Advance Public Kindergarten to Grade 12 Education and the income tax surcharge of 3% imposed on taxable income of \$200,000 or more, which is the source of revenue for the fund.			
338	870			McLean	An Act To Exempt Certain Disabled Veterans from the Motor Vehicle Excise Tax	This bill provides a motor vehicle excise tax exemption for veterans who are receiving benefits based on 100% permanent service-connected disability.			
368	1676			Guerin	An Act To Welcome Statewide Economic Investment	<p>This bill is a concept draft pursuant to Joint Rule 208. This bill proposes to provide incentives for statewide economic investment to businesses whose income is currently taxed at lower rates due to offshore investment of that income. This bill would offset federal taxes paid on repatriated income with state and local property tax, income tax and employment tax reductions. The offset of real estate, personal, property and employment taxes would be reduce over a 10-year period by an amount equal to federal taxes paid at an assumed tax rate of 10%.</p> <p>The offset would be allowed for capital invested in or dedicated to, without limitation, business expansion, including construction and site development and new equipment purchases; historic property or brownfield redevelopment and relocation, subject to state and municipal oversight; and new job creation or job retraining for any jobs the investment causes to be displaced. A business qualifying for the incentives would be required to commit to fulfilling the terms of an incentive plan for a period of time double to that of the length of time the incentives are provided.</p>			