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Date: (Filing No. S- )

**JUDICIARY**

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**STATE OF MAINE  
SENATE  
132ND LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 344, L.D. 785, “An Act to Enact the Remaining Recommendations of the Task Force on Changes to the Maine Indian Claims Settlement Implementing Act”

Amend the bill by striking out the title and substituting the following:

**'An Act to Amend Certain Tax Laws Regarding the Wabanaki Nations'**

Amend the bill by striking out everything after the enacting clause and inserting the following:

**'PART A**

**Sec. A-1. 3 MRSA §1, 2nd ¶**, as amended by PL 2009, c. 636, Pt. A, §1, is further amended to read:

The Tribal Clerk of the Penobscot Indian Nation shall, on or before the day preceding the meeting of the Legislature, furnish to the Clerk of the preceding House of Representatives a certification, under the seal of the Nation, of the name and residence of the Representative-elect of the Penobscot Indian Nation to the Legislature. The Tribal Clerk of the Passamaquoddy Tribe of the reservation from which the Representative-elect of that tribe has been chosen shall, on or before the day preceding the meeting of the Legislature, furnish the Clerk of the preceding House of Representatives a certification of the name and residence of the Representative-elect of the Passamaquoddy Tribe to the Legislature. Beginning with the 126th Legislature, the Tribal Clerk of the Houlton Band of Maliseet Indians shall, on or before the day preceding the meeting of the Legislature, furnish to the Clerk of the preceding House of Representatives a certification of the name and residence of the Representative-elect of the Houlton Band of Maliseet Indians to the Legislature. Beginning with the 133rd Legislature, the Tribal Clerk of the Mi'kmaq Nation shall, on or before the day preceding the meeting of the Legislature, furnish to the Clerk of the preceding House of Representatives a certification, under the seal of the Nation, of the name and residence of the Representative-elect of the Mi'kmaq Nation to the Legislature.

**COMMITTEE AMENDMENT**



1 A. "Primarily" means more than 50% of that period of time that begins on the date on  
2 which the property or service is first placed in service by the purchaser and ends one  
3 year from that date or at the time that the property or service is sold, scrapped,  
4 destroyed or otherwise permanently removed from service, whichever occurs first; ~~and~~

5 B. "Sales sourced to tribal land" means sales sourced pursuant to section 1819 to a  
6 location on tribal land. ~~In addition, sales of motor vehicles other than those that are~~  
7 ~~being leased for a period of less than one year to a tribal member are sales sourced to~~  
8 ~~tribal land if the vehicle is intended to be driven or transported to tribal land~~  
9 ~~immediately upon receipt of the vehicle. as well as:~~

10 (1) Sales of motor vehicles other than those that are being leased for a period of  
11 less than one year to a tribal member, if the vehicle is intended to be driven or  
12 transported to tribal land immediately upon receipt of the vehicle; and

13 (2) Sales of new manufactured housing to a tribal member, if the new  
14 manufactured housing is intended to be installed on tribal land immediately upon  
15 receipt or delivery; and

16 C. "Sales of new manufactured housing for installation on tribal land" means sales to  
17 a construction contractor or subcontractor of new manufactured housing that is  
18 intended to be physically incorporated in, and become a permanent part of real property  
19 located on, tribal land for sale to a tribal member or to the Passamaquoddy Tribe, the  
20 Penobscot Nation, the Houlton Band of Maliseet Indians or the Mi'kmaq Nation.

21 **Sec. C-2. Application.** This Part applies to sales occurring on or after January 1,  
22 2027.

## 23 PART D

24 **Sec. D-1. 36 MRSA §1760, sub-§114,** as amended by PL 2025, c. 271, Pt. B, §3  
25 and affected by §5, is further amended to read:

26 **114. Tribal entities.** Sales to a tribal entity that are sales sourced to tribal land, except  
27 that, if the property or service is used by the purchaser, including any lessee, primarily  
28 outside of tribal land, the purchaser is liable for use tax based on the original sale price,  
29 unless otherwise exempt under this Part.

30 For purposes of this subsection:

31 A. "Primarily" means more than 50% of that period of time that begins on the date on  
32 which the property or service is first placed in service by the purchaser and ends one  
33 year from that date or at the time that the property or service is sold, scrapped,  
34 destroyed or otherwise permanently removed from service, whichever occurs first; ~~and~~

35 B. "Sales sourced to tribal land" means sales sourced pursuant to section 1819 to a  
36 location on tribal land or to a location on specific tribally owned fee land identified in  
37 rules adopted pursuant to paragraph C. In addition, sales of motor vehicles other than  
38 those that are being leased for a period of less than one year to a tribal entity are sales  
39 sourced to tribal land if the vehicle is intended to be driven or transported to tribal land  
40 immediately upon receipt of the vehicle.; and

41 C. The bureau shall, by rule, identify the tribally owned fee lands eligible for the sales  
42 tax exemption set forth in this subsection and the sales tax transfer in section 1815 in  
43 accordance with the following requirements.

1           (1) The Passamaquoddy Tribe, the Penobscot Nation, the Houlton Band of  
2           Maliseet Indians and the Mi'kmaq Nation, referred to in this paragraph as  
3           "Wabanaki Nation," may each file a written request with the bureau by August 1st  
4           of each year that the sales tax exemption in this subsection and the sales tax transfer  
5           in section 1815 apply, effective January 1st of the following year, at any one time  
6           to no more than one parcel of land or 2 abutting parcels of land that are jointly used  
7           to operate a business. To qualify for the exemption, the parcel or parcels of land  
8           must be:

9                   (a) Owned in fee by the requesting Wabanaki Nation or a tribal entity owned  
10                   by the requesting Wabanaki Nation, a tribal member or members of the  
11                   requesting Wabanaki Nation or some combination thereof;

12                   (b) Used by the requesting Wabanaki Nation or tribal entity to operate a  
13                   business; and

14                   (c) Located within Aroostook County, Hancock County, Franklin County,  
15                   Penobscot County, Piscataquis County, Somerset County, Oxford County or  
16                   Washington County.

17           (2) If a parcel or parcels of land identified by rule as eligible for the sales tax  
18           exemption set forth in this subsection and the sales tax transfer in section 1815  
19           cease to meet the requirements of subparagraph (1) or if a Wabanaki Nation elects  
20           to change that Wabanaki Nation's parcel or parcels of land identified to the bureau  
21           for purposes of this subsection and section 1815, the requesting Wabanaki Nation  
22           shall notify the bureau and may submit a new request under subparagraph (1) that  
23           the sales tax exemption set forth in this subsection and the sales tax transfer in  
24           section 1815 apply to a different parcel or parcels of land.

25           (3) If the parcel or parcels of land that a Wabanaki Nation requests to be subject  
26           to the sales tax exemption in this subsection and the sales tax transfer in section  
27           1815 meet the requirements of subparagraph (1), the bureau shall adopt rules  
28           identifying the parcel or parcels of land as tribally owned fee lands eligible for the  
29           sales tax exemption set forth in this subsection and the sales tax transfer in section  
30           1815.

31           Rules adopted pursuant to this paragraph are routine technical rules pursuant to Title  
32           5, chapter 375, subchapter 2-A.

33           **Sec. D-2. 36 MRSA §1815, sub-§2**, as amended by PL 2025, c. 470, Pt. D, §3 and  
34           affected by §6, is further amended to read:

35           **2. Monthly transfer.** By the 20th day of each month, the assessor shall notify the  
36           State Controller and the Treasurer of State of the amount of revenue attributable to the tax  
37           collected under this chapter in the previous month on sales occurring on the  
38           Passamaquoddy Indian territory, the Penobscot Indian territory, the Houlton Band Trust  
39           Land and the Mi'kmaq Nation Trust Land, respectively, reduced by the transfer to the Local  
40           Government Fund required by Title 30-A, section 5681. When notified by the assessor,  
41           the State Controller shall transfer those amounts to the Passamaquoddy fund, the Penobscot  
42           fund, the Maliseet fund and the Mi'kmaq fund, respectively.

1 For purposes of this subsection, a sale occurs on the Passamaquoddy Indian territory, the  
2 Penobscot Indian territory, the Houlton Band Trust Land or the Mi'kmaq Nation Trust Land  
3 if:

4 A. The business location of the seller from which the purchase is made is on  
5 Passamaquoddy Indian territory, Penobscot Indian territory, Houlton Band Trust Land  
6 or Mi'kmaq Nation Trust Land, respectively, or on the Passamaquoddy Tribe's, the  
7 Penobscot Nation's, the Houlton Band of Maliseet Indian's or the Mi'kmaq Nation's  
8 respective tribally owned fee land identified in rules adopted pursuant to section 1760,  
9 subsection 114, paragraph C; and

10 B. The tangible personal property or taxable service is received by the purchaser also  
11 on Passamaquoddy Indian territory, Penobscot Indian territory, Houlton Band Trust  
12 Land or Mi'kmaq Nation Trust Land, respectively, or on the Passamaquoddy Tribe's,  
13 the Penobscot Nation's, the Houlton Band of Maliseet Indian's or the Mi'kmaq Nation's  
14 respective tribally owned fee land identified in rules adopted pursuant to section 1760,  
15 subsection 114, paragraph C. For purposes of this paragraph, "received" has the same  
16 meaning as in section 1819.

## 17 PART E

18 **Sec. E-1. 36 MRSA §651, sub-§1, ¶F**, as corrected by RR 2013, c. 1, §51, is  
19 amended to read:

20 F. All airports and landing fields and the structures erected thereon or contained therein  
21 of public municipal corporations whether located within or without the limits of such  
22 public municipal corporations. Any structures or land contained within such airport not  
23 used for airport or aeronautical purposes ~~shall~~ may not be entitled to this exemption.  
24 Any public municipal corporation ~~which~~ that is required to pay taxes to another such  
25 corporation under this paragraph with respect to any airport or landing field ~~shall~~ must  
26 be reimbursed by the county wherein the airport is situated; ~~and~~

27 **Sec. E-2. 36 MRSA §651, sub-§1, ¶G**, as enacted by PL 1967, c. 115, is amended  
28 to read:

29 G. The pipes, fixtures, conduits, buildings, pumping stations and other facilities of a  
30 public municipal corporation used for sewage disposal, if located outside the limits of  
31 such public municipal corporation; ~~and~~

32 **Sec. E-3. 36 MRSA §651, sub-§1, ¶H** is enacted to read:

33 H. For property tax years beginning on or after April 1, 2027, the property of a  
34 federally recognized Indian tribe in the State if the property is used for governmental  
35 or public purposes; the property is located within 50 miles of the federally recognized  
36 Indian tribe's tribal land; and there is a pending application to have the United States  
37 Secretary of the Interior acquire the property in trust for the benefit of the federally  
38 recognized Indian tribe pursuant to the federal Maine Indian Claims Settlement Act of  
39 1980, Public Law 96-420, federal Houlton Band of Maliseet Indians Supplementary  
40 Claims Settlement Act of 1986, Public Law 99-566 or the federal Aroostook Band of  
41 Micmacs Settlement Act, Public Law 102-171.

## 42 PART F

1           **Sec. F-1. Appropriations and allocations.** The following appropriations and  
 2 allocations are made.

3           **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**  
 4           **Revenue Services, Bureau of 0002**

5 Initiative: Provides one-time funding for administrative expenses, including the costs of  
 6 adding a new line to the Municipal Valuation Return and associated programming and  
 7 testing.

8	<b>GENERAL FUND</b>	<b>2025-26</b>	<b>2026-27</b>
9	All Other	\$0	\$88,460
10			
11	GENERAL FUND TOTAL	\$0	\$88,460

12

13           **ADMINISTRATIVE AND FINANCIAL**  
 14           **SERVICES, DEPARTMENT OF**  
 15           **DEPARTMENT TOTALS**

16		<b>2025-26</b>	<b>2026-27</b>
17	<b>GENERAL FUND</b>	<b>\$0</b>	<b>\$88,460</b>
18			
19	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$88,460</b>

20           **LEGISLATURE**

21           **Legislature 0081**

22 Initiative: Provides ongoing funding for the costs of an additional Legislator.

23	<b>GENERAL FUND</b>	<b>2025-26</b>	<b>2026-27</b>
24	Personal Services	\$0	\$43,611
25	All Other	\$0	\$60,376
26			
27	GENERAL FUND TOTAL	\$0	\$103,987

28           **Legislature 0081**

29 Initiative: Provides one-time funding for the costs of adding a new Legislator.

30	<b>GENERAL FUND</b>	<b>2025-26</b>	<b>2026-27</b>
31	All Other	\$0	\$80,047
32			
33	GENERAL FUND TOTAL	\$0	\$80,047

34

35           **LEGISLATURE**  
 36           **DEPARTMENT TOTALS**

37		<b>2025-26</b>	<b>2026-27</b>
38	<b>GENERAL FUND</b>	<b>\$0</b>	<b>\$184,034</b>
39			
40	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$184,034</b>

41

1	<b>SECTION TOTALS</b>	<b>2025-26</b>	<b>2026-27</b>
2			
3	<b>GENERAL FUND</b>	<b>\$0</b>	<b>\$272,494</b>
4			
5	<b>SECTION TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$272,494</b>

6

7       Amend the bill by relettering or renumbering any nonconsecutive Part letter or section  
8 number to read consecutively.

9

**SUMMARY**

10       This amendment, which is the majority report of the committee, replaces the bill and  
11 changes the title. The amendment amends several provisions of state law affecting the  
12 Passamaquoddy Tribe, the Penobscot Nation, the Houlton Band of Maliseet Indians and  
13 the Mi'kmaq Nation, referred to in this summary as "the Wabanaki Nations."

14       Part A of the amendment provides that, beginning with the First Regular Session of the  
15 133rd Legislature, the Mi'kmaq Nation may, like the other Wabanaki Nations, elect a  
16 representative to the House of Representatives of the Maine Legislature. The  
17 representative of the Mi'kmaq Nation has, to the same extent as other members of the  
18 Legislature, the right to receive a salary for each regular session of the Legislature, an  
19 allowance for constituent services, allowances for travel-related expenses and per diem  
20 payments for the duration of any special session of the Legislature.

21       Part B of the amendment authorizes an individual who is an enrolled member of one  
22 of the Wabanaki Nations to subtract from the individual's income for Maine income tax  
23 purposes the value of any otherwise taxable compensation, including benefits, received for  
24 personal services performed as an employee of one of the Wabanaki Nations, regardless of  
25 whether the individual resides on Indian territory or trust land.

26       Part C of the amendment clarifies that the sale of new manufactured housing to an  
27 enrolled member of one of the Wabanaki Nations is exempt from Maine sales tax if the  
28 new manufactured housing is to be installed on Indian territory or trust land. It also newly  
29 exempts from Maine sales tax the sale of new manufactured housing to a construction  
30 contractor or subcontractor if the new manufactured housing is intended to be physically  
31 incorporated in, and become a permanent part of real property located on, Indian territory  
32 or trust land for sale to one of the Wabanaki Nations or to an enrolled member of one of  
33 the Wabanaki Nations.

34       Part D of the amendment makes the following 2 changes to the State's sales tax laws.

35       1. Under current law, sales of property or services to a tribal entity that are sourced to  
36 Indian territory or trust land are exempt from Maine sales tax. Part D of the amendment  
37 provides that, for purposes of determining whether sales to tribal entities are sourced to  
38 tribal land, the phrase "tribal land" includes no more than one parcel or 2 abutting parcels  
39 of fee land owned by each of the Wabanaki Nations or the Wabanaki Nation's tribal entity  
40 to operate a business in Aroostook County, Hancock County, Franklin County, Penobscot  
41 County, Piscataquis County, Somerset County, Oxford County or Washington County as  
42 long as the specifically identified parcel or abutting parcels of land remain owned by the  
43 Wabanaki Nation or the Wabanaki Nation's tribal entity.

