

# TAX PH/WS 3/12/2024

ABBREVIATIONS

COR Carry over requested by TAX

CO-T Carried over in TAX

SHADED LDs HAVE BEEN VOTED

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FINAL ACTION	FISCAL IMPACT <sup>1</sup>	
									FY24	FY25
803	1817			Perry J	An Act Regarding Taxation	This bill is a <u>concept draft</u> pursuant to Joint Rule 208. This bill would <u>make changes to the laws governing taxation.</u>	COR	CO-T		
						Proposed amendment replaces the bill.  The proposed amendment <u>directs DECD in consultation with OPEGA and MRS/OTP to review aspects of the State's tax expenditures and other programs that provide incentives for economic development and evaluate the effectiveness of the programs and ways in which the programs could be more effective.</u> DECD is directed <u>to make a report to the TAX Committee regarding the findings and recommendations of the review group. The TAX Committee is authorized to report out legislation to the 132<sup>nd</sup> Legislature.</u>				
1153	1513	4/5	4/12	Woodsome	An Act to Allow Municipalities to Tax Personal Solar Energy	<u>Current law</u> provides a <u>property tax exemption for solar and wind energy equipment that generates heat or electricity IF:</u>	tabled  COR	CO-T		

<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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					Equipment Under 5 Megawatts	<ol style="list-style-type: none"> <li>all of the <u>energy is used on the site</u> where the property is located, or</li> <li>the energy is <u>transmitted through the facilities of a transmission and distribution utility, and a utility customer or customers receive a utility bill credit for the energy generated by the equipment.</u></li> </ol> <p><u>This bill removes wind energy equipment from the exemption.</u></p>				
			1/11/24 1/23/24 2/7/24 2/14/24		Amendment Summary	<p><u>This amendment replaces the LD. It changes the requirements for personal and real estate property tax exemptions for certain solar energy equipment for property tax years beginning on or after April 1, 2025. After that date, solar energy is exempt from property taxation if:</u></p> <ol style="list-style-type: none"> <li>The energy it produces is used on-site,</li> <li>The <u>equipment is collocated with customer or customers using at least 50% energy on-site, or</u></li> <li><u>The energy the equipment produces is transmitted through an electric utility and accounted for using a bill credit mechanism and the generator had a fully executed interconnection agreement prior to April 1, 2024.</u></li> </ol> <p>The amendment also <u>requires the State Tax Assessor to update the solar energy equipment exemption information bulletin of Maine Revenue Services to reflect changes made to relevant laws after December 31, 2023 and to establish a general method of valuation for commercial solar arrays.</u></p>	OTPA			
2251	3119	3/12	3/14	Perry	An Act to Amend the Mining Excise Tax Laws	This bill makes changes to the mining excise tax as recommended by a report to the Committee by the Department of Administrative and Financial Services, Bureau of Revenue Services, Office of				

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						<p>Tax Policy, as required by Resolve 2023, chapter 83, section 1 including <u>providing a sales tax exemption for sales to a mining company for use in mining.</u></p> <p>The bill also:</p> <ol style="list-style-type: none"> <li><u>Simplifies the excise tax imposed on a mining company</u> by establishing a formula of the gross proceeds of that mining company multiplied by 0.35 and eliminating credits for payment of certain property taxes and prepayment of taxes;</li> <li>Renames the Mining Oversight Fund the Mining Excise Tax Fund and <u>simplifies the distribution of excise tax revenues by requiring all revenue to be deposited in the Mining Excise Tax Fund</u>, instead of being split between the General Fund, the Mining Excise Tax Trust Fund and the Mining Impact Assistance Fund;</li> <li><u>Eliminates the Mining Impact Assistance Fund</u>, which is used to provide <u>grants to municipalities, counties and the unorganized territory to offset the loss of property tax revenue and to provide necessary new or additional public facilities and services related to mining;</u> and</li> <li><u>Requires the Governor to propose uses for the Mining Excise Tax Fund as part of the biennial budget.</u></li> </ol>				