

Shaded LDs have been voted on by  
the Committee

# WS 5/25/2023

TAXATION COMMITTEE  
131<sup>st</sup> LEGISLATURE  
1st REG SESSION  
G:\TAXCMTE\131st-1\commchartmaster.docx

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT <sup>1</sup>	
								FY24	FY25
68	177	2/14	5/25	Sachs	An Act to Exempt Certain Nonprofit Organizations from the Sales and Use Tax and the Service Provider Tax	<p>This <u>bill exempts from the sales and use tax and from the service provider tax sales to a non profit organization that is exempt from income tax under Section 501(c)(3) of the federal Internal Revenue Code</u> if the property or services sold are to be used primarily for the purposes for which the nonprofit organization was organized.</p> <p>The bill also <u>requires the MRS Office of Tax Policy to review current sales and use tax and service provider tax exemptions to identify provisions that should be repealed or amended because they are duplicative or otherwise unnecessary and to submit a report including suggested legislation repealing or modifying those exemptions to the TAX Committee.</u></p> <p>LD 2011 in the 129<sup>th</sup> Legislature contained same language. Bill died at end of session tabled in House without acceptance of either committee amendment.</p> <p>MRS comments:</p> <ol style="list-style-type: none"> <li>1. Not all nonprofits are 501(c)(3) orgs</li> <li>2. recommends doing study of existing exemptions before enacting generic exemption for all 501(c)(3) orgs.</li> </ol>		<p>Similar provision was included in Committee Amendments to LD 2011 in 129<sup>th</sup> Legislature, 2<sup>nd</sup> Regular Session which died in possession of the House at end of session. LD 2011 included sales tax, service provider tax and income tax</p> <p>MRS estimates cost in the range of \$10 to \$12 million for sales tax and service provider tax expansion but needs more research; recommends study first.</p>	
1714	1621	5/10	5/25	Rana	An Act to Create a Sustainable Funding Source for Recovery Community Centers Using a	This <u>bill establishes the Recovery Community Centers Fund within the Department of Health and Human Services, Office of Behavioral Health to fund recovery community centers.</u>			

<sup>1</sup> . Numbers may represent preliminary estimates and are subject to change. For more detail, please see fiscal note documents in LD file.

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT <sup>1</sup>	
								FY24	FY25
					Percentage of the Adult Use Cannabis Tax Revenue	<p><b>Current law:</b> 12% of sales tax on AU cannabis and AU cannabis products and 12 % of the excise tax on AU cannabis is transferred monthly to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund.</p> <p><b>The bill requires that</b> 12% of sales tax on AU cannabis and adult use cannabis products and the AU excise tax also be transferred monthly to the <u>be credited to the Recovery Community Centers Fund.</u></p> <p><u>The bill also clarifies that 12% of the sales tax revenue collected on the sale of adult use cannabis and adult use cannabis products and 12% of excise tax on cannabis is credited to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund under current law, NOT 12% of total sales tax revenue collected under the Maine Revised Statutes, Title 36, section 1811.</u></p>			
1737	2103	5/17	5/24	Hymes	An Act to Provide up to \$5,000 in Property Tax Relief to Veterans	<p><b>Current law</b> provides <u>up to a \$6,000 exemption</u> in just value for veterans who are at least 62 years of age and who served during a federally recognized war period or veterans who were disabled during active military service.</p> <p><b>This bill</b> provides a <u>complete exemption</u> from property taxes for eligible veterans, <u>except that the dollar amount of the reduction in taxes due because of the exemption is limited to \$5,000 or the amount of taxes actually due for that property tax year, whichever amount is less.</u></p> <p><b>Sponsor description of proposed amendment:</b></p> <ol style="list-style-type: none"> <li><u>Veterans age 62+ will still have wartime provision, not dishonorably discharged and served at least 10 years</u></li> </ol>			

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT <sup>1</sup>	
								FY24	FY25
						<p>2. <u>Veterans under age 62 would be eligible if disabled. Amount of exemption would be based on % disability</u></p> <p>3. <u>Maximum of total \$5,000 off of total property tax assessed on estate</u></p> <p>4. <i>(Details still need to be worked out JSJ)</i></p>			
1882	2398	5/18	5/25	Faulkingham	An Act to Increase the Deduction from Income for Pension Benefits	<p>The bill <u>increases the pension deduction amount for tax years beginning in 2023 from \$30,000 to \$35,000 and for tax years beginning on or after January 1, 2024 from \$35,000 to \$50,000.</u></p> <p><u>FAME testified it is not the appropriate agency to administer home energy savings accounts.</u></p>		MRS estimates	
								Admin costs	Nominal, can be absorbed
								Revenue impact	Not currently available
1958	2541	5/24		Perry	An Act to Provide the Mi'kmaq Nation with Sales Tax Revenue for Sales Occurring on Mi'kmaq Nation Territory	<p><b>Current law:</b> Passamaquoddy Tribe, Penobscot Nation and Houlton Band of Maliseet Indians receive from the State monthly the amount of sales tax attributable to sales occurring on Passamaquoddy Tribal territory, Penobscot Nation territory and the Houlton Band Trust Land.</p> <p>Passamaquoddy Tribe 1999 Penobscot Nation 1/1/23 Houlton Band of Maliseet Indians 1/1/23</p> <p><b>This bill:</b> provides the Mi'kmaq Nation with sales tax revenue for sales occurring on Mi'kmaq Nation territory in the same manner currently provided to the Passamaquoddy Tribe, the Penobscot Nation and the Houlton Band of Maliseet Indians.</p> <p>Mi'kmac Nation Chief Paul and others, indicated at PH that the correct reference should be "Mi'kmac Nation Trust Land" rather than "Mi'kmac Nation territory."</p>			