

STATE OF MAINE
131ST LEGISLATURE
SECOND REGULAR SESSION



Disposition of bills and summaries of all laws enacted or finally passed

JOINT STANDING COMMITTEE ON TAXATION

June 2024

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Joint Standing Committee on Taxation

SUBJECT INDEX

Administration of Tax Laws

Enacted	LD 2023	An Act to Make Technical Changes to Maine's Tax Laws	PUBLIC 523
	LD 2028	An Act to Amend Certain State Tax Laws	PUBLIC 613

Cannabis Taxation

Enacted	LD 1714	An Act to Create a Sustainable Funding Source for Recovery Community Centers Using a Percentage of the Adult Use Cannabis Tax Revenue	PUBLIC 658
Not Enacted	LD 1384	An Act to Promote Fairness in the Taxation of Adult Use Cannabis	CARRIED OVER
	LD 1405	An Act to Change How Adult Use Cannabis Excise Tax Is Calculated	CARRIED OVER

Income Tax - General

Enacted	LD 1337	An Act to Require a Biennial Report on the Corporate Income Tax to the Joint Standing Committee Having Jurisdiction over Taxation Matters	PUBLIC 627
	LD 1891	Resolve, to Require the Office of Tax Policy to Study the Adoption of a Pass-through Entity Income Tax	RESOLVE 170

Income Tax - Reform

Not Enacted	LD 1010	An Act to Provide Tax Relief for Working Families	Leave to Withdraw Pursuant to Joint Rule 310
	LD 1231	An Act to Bring Fairness in Income Taxes to Maine Families by Adjusting the Tax Brackets	Veto Sustained

Income Tax Conformity

Enacted	LD 2022 An Act Updating References to the United States Internal Revenue Code of 1986 Contained in the Maine Revised Statutes	PUBLIC 619
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Income Tax Credits, Exemptions, Deductions and Incentives

Enacted	LD 1075 Resolve, to Review and Evaluate Film Production Incentives	RESOLVE 149
	LD 1891 Resolve, to Require the Office of Tax Policy to Study the Adoption of a Pass-through Entity Income Tax	RESOLVE 170
	LD 1974 Resolve, Directing an Analysis of and Report on the Maine New Markets Capital Investment Program	RESOLVE 151
	LD 2258 An Act to Create an Income Tax Credit for Investments in a Team's Qualified Minor League Baseball Facility to Keep the Team in the State	PUBLIC 667
Not Enacted	LD 643 An Act to Promote Research and Development in the State by Increasing the Research Expense Tax Credit	ONTP
	LD 1222 An Act to Expand Child Care Services Through an Employer-supported Tax Credit	ONTP
	LD 1276 An Act to Create and Sustain Jobs and Affordable Housing Through the Development of Cooperatives and Employee-owned Businesses	CARRIED OVER
	LD 1475 An Act to Establish a Grant Program to Promote Biomanufacturing and Biotechnology Development	CARRIED OVER
	LD 1573 An Act to Provide Financial Relief for Certain Volunteers Receiving Certain Education Benefits in Recognition of Their Volunteer Service	CARRIED OVER
	LD 1774 An Act Exempting Certain Emergency Distributions and Emergency Savings Accounts from Taxation	ONTP
	LD 1810 An Act to Expand the Maine Historic Rehabilitation Credit and Establish a Weatherization Tax Credit	CARRIED OVER
	LD 1873 An Act to Provide Heating Relief with Tax-free Home Energy Savings Accounts	Majority (ONTP) Report
	LD 1900 An Act to Establish a Tax Credit for Employers Who Employ Persons Recovering from Substance Use Disorder	Majority (ONTP) Report

LD 1999	An Act to Ensure the Equitable Treatment of Military Retirement Plan Income	ONTP
LD 2106	An Act to Strengthen the Historic Property Rehabilitation Tax Credit	CARRIED OVER
LD 2144	An Act to Provide Property Tax Relief by Increasing the Availability of the Property Tax Fairness Credit for Resident Individuals Who Are 65 Years of Age or Older with Annual Income at or Below \$36,000	CARRIED OVER

Motor Vehicle Excise Tax

Enacted	LD 2076	An Act to Exempt from Excise Tax Vehicles of Active Duty Service Members Deployed Out-of-state	PUBLIC 565
Not Enacted	LD 2005	An Act to Eliminate the Aircraft Excise Tax	ONTP

Multiple Taxes

Enacted	LD 1804	An Act to Improve the Reporting Process for Certain Tax Expenditure Programs	PUBLIC 631
	LD 2023	An Act to Make Technical Changes to Maine's Tax Laws	PUBLIC 523
	LD 2028	An Act to Amend Certain State Tax Laws	PUBLIC 613
Not Enacted	LD 457	An Act to Amend Maine's Tax Laws	CARRIED OVER
	LD 499	An Act to Change Maine's Tax Laws	Majority (ONTP) Report
	LD 1958	An Act to Revise the Tax Laws Regarding the Mi'kmaq Nation	CARRIED OVER
	LD 1961	An Act to Support Potato Processing in Maine	Leave to Withdraw Pursuant to Joint Rule 310

Other Taxes

Not Enacted	LD 210	An Act to Expand the List of Persons Exempt from the Real Estate Transfer Tax	CARRIED OVER
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LD 457	An Act to Amend Maine's Tax Laws	CARRIED OVER
LD 633	An Act to Dedicate Revenue from Alcohol Tax to Alcohol Use Disorder Treatment	Leave to Withdraw Pursuant to Joint Rule 310
LD 916	An Act to Establish a Windfall Profits Tax on Electric Utilities to Assist with Residential Heating Costs	Leave to Withdraw Pursuant to Joint Rule 310
LD 1010	An Act to Provide Tax Relief for Working Families	Leave to Withdraw Pursuant to Joint Rule 310
LD 1454	An Act Regarding the Distribution of Revenue from the Real Estate Transfer Tax	Majority (ONTP) Report
LD 1720	An Act to Phase Out the Insurance Premium Tax on Annuities	CARRIED OVER
LD 1755	An Act to Exempt Certain Youth Development Nonprofit Organizations from Sales Tax and the Service Provider Tax	CARRIED OVER
LD 2251	An Act to Amend the Mining Excise Tax Laws	HELD BY GOVERNOR

Property Tax - Current Use

**Not
Enacted**

LD 1648	An Act to Make Changes to the Farm and Open Space Tax Law	CARRIED OVER
LD 1685	An Act to Increase Acreage Eligibility and Change Requirements for Filing Plans Under the Maine Tree Growth Tax Law	ONTP

Property Tax - Exemptions

Enacted

LD 1153	An Act Regarding Municipal Taxation of Certain Solar Energy Equipment	PUBLIC 682
LD 2027	An Act Regarding the Property Tax Exemption, Business Equipment Tax Exemption and Business Equipment Tax Reimbursement for Facilities Storing Spent Nuclear Fuel and Radioactive Waste	PUBLIC 588

**Not
Enacted**

LD 1258	An Act to Increase the Personal Property Tax Exemption for Farm Machinery	CARRIED OVER
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LD 1538	An Act to Provide Tax Benefits to Persons Constructing Accessory Dwelling Units	ONTP
LD 1737	An Act to Expand Property Tax Relief for Veterans and Their Survivors	HELD BY GOVERNOR

Property Tax - General

Enacted	LD 2048	An Act to Amend the Content of Notices Provided with Respect to Tax Liens on Certain Property	PUBLIC 579
	LD 2262	An Act to Amend the Process for the Sale of Foreclosed Properties Due to Nonpayment of Taxes	PUBLIC 640

Property Tax - Valuation

Enacted	LD 2006	An Act to Amend the Laws Regarding Adjustments for Sudden and Severe Disruption of Municipal Valuation	PUBLIC 629
	LD 2162	An Act Regarding the Current Use Valuation of Working Waterfront Property	PUBLIC 671

Property Tax Relief Programs

Enacted	LD 1345	An Act to Permit Municipalities to Establish by Ordinance a Program for Partial Deferral of Property Taxes for Seniors	PUBLIC 547
	LD 2027	An Act Regarding the Property Tax Exemption, Business Equipment Tax Exemption and Business Equipment Tax Reimbursement for Facilities Storing Spent Nuclear Fuel and Radioactive Waste	PUBLIC 588
Not Enacted	LD 191	An Act to Amend the Laws Regarding Certain Business Equipment Tax Benefits	ONTP
	LD 1335	An Act to Amend the Property Tax Stabilization for Senior Citizens Law	ONTP
	LD 2111	An Act Regarding the Timeline for Property Tax Abatement Based on Hardship or Poverty	ONTP

Sales and Use Tax

Enacted	LD 2000	An Act to Change the Taxation of Rental Tangible Personal Property to Make It Consistent with the Predominant Method in Other States' Rental Industry Laws for Sales and Use Tax	PUBLIC 673
Not Enacted	LD 996	An Act to Allow a Municipality to Establish a Local Option Sales Tax	Leave to Withdraw Pursuant to Joint Rule 310
	LD 1027	An Act to Prohibit Local Sales Taxes	ONTP
	LD 1298	An Act to Allow a Local Option Sales Tax on Short-term Lodging to Fund Affordable Housing	Minority (ONTP) Report
	LD 1755	An Act to Exempt Certain Youth Development Nonprofit Organizations from Sales Tax and the Service Provider Tax	CARRIED OVER
	LD 1893	An Act to Allow a Municipality to Impose a Fee on Short-term Rentals for the Benefit of That Municipality	ONTP

Sales Tax Exemptions, Exclusions or Refunds

Not Enacted	LD 287	An Act to Provide a Sales Tax Exemption for Diapers	CARRIED OVER
	LD 695	An Act to Exempt Nonprofit Land Trusts from Sales Tax	CARRIED OVER
	LD 1184	An Act Regarding Sales and Use Tax Exemptions for Durable Medical Equipment, Breast Pumps and Mobility Enhancing Equipment	HELD BY GOVERNOR
	LD 1303	An Act to Exempt Utility Vehicles Purchased for Qualified Commercial Fishing or Commercial Farming from State Sales Tax	CARRIED OVER
	LD 1493	An Act to Increase Affordable Housing by Expanding Tax Increment Financing	CARRIED OVER
	LD 2143	An Act to Exempt from Sales Tax the Sale and Delivery of All Residential Electricity	CARRIED OVER
	LD 2198	An Act to Remove the Exemption from Sales and Use Tax for Automobiles Purchased for Use as Rentals	Died Between Houses
	LD 2279	An Act to Promote Equity in the Forest Products Industry by Allowing Commercial Wood Haulers to Be Eligible for Certain Sales Tax Exemptions and Refunds	CARRIED OVER

Tax Expenditure Review

Enacted	LD 803	An Act Regarding Department of Economic and Community Development Evaluations of State Investments in Economic Development	PUBLIC 599
	LD 1075	Resolve, to Review and Evaluate Film Production Incentives	RESOLVE 149
	LD 1804	An Act to Improve the Reporting Process for Certain Tax Expenditure Programs	PUBLIC 631
	LD 1974	Resolve, Directing an Analysis of and Report on the Maine New Markets Capital Investment Program	RESOLVE 151

Tax Increment Financing

Not Enacted	LD 1493	An Act to Increase Affordable Housing by Expanding Tax Increment Financing	CARRIED OVER
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Unorganized Territory

Enacted	LD 2024	Resolve, to Authorize the State Tax Assessor to Convey the Interest of the State in Certain Real Estate in the Unorganized Territory	RESOLVE 142
	LD 2207	An Act to Establish Municipal Cost Components for Unorganized Territory Services to Be Rendered in Fiscal Year 2024-25	PUBLIC 582

DIGEST OF BILLS
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Joint Standing Committee on Taxation

Comm	LD	Title	Committee Action	Date of last Comm Action	Disposition upon R2 Adjournment	Law	Ch	Analyst Note?
TAX	191	An Act to Amend the Laws Regarding Certain Business Equipment Tax Benefits	ONTP	2/8/2024	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	210	An Act to Expand the List of Persons Exempt from the Real Estate Transfer Tax	OTP-AM/ONTP	3/27/2023				
TAX	287	An Act to Provide a Sales Tax Exemption for Diapers	OTP-AM/ONTP	4/19/2023				
TAX	457	An Act to Amend Maine's Tax Laws	OTP-AM/OTP-AM/ONTP	4/2/2024				
TAX	499	An Act to Change Maine's Tax Laws	ONTP/OTP-AM	3/20/2024	Accepted Majority (ONTP) Report			
TAX	633	An Act to Dedicate Revenue from Alcohol Tax to Alcohol Use Disorder Treatment	LTW	1/22/2024	Leave to Withdraw Pursuant to Joint Rule 310			
TAX	643	An Act to Promote Research and Development in the State by Increasing the Research Expense Tax Credit	ONTP	2/29/2024	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	695	An Act to Exempt Nonprofit Land Trusts from Sales Tax	OTP-AM/OTP-AM	5/25/2023				
TAX	803	An Act Regarding Department of Economic and Community Development Evaluations of State Investments in Economic Development	OTP-AM	3/27/2024	Enacted	PL	599	

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Comm	LD	Title	Committee Action	Date of last Comm Action	Disposition upon R2 Adjournment	Law	Ch	Analyst Note?
TAX	916	An Act to Establish a Windfall Profits Tax on Electric Utilities to Assist with Residential Heating Costs	LTW	2/13/2024	Leave to Withdraw Pursuant to Joint Rule 310			
TAX	996	An Act to Allow a Municipality to Establish a Local Option Sales Tax	LTW	2/27/2024	Leave to Withdraw Pursuant to Joint Rule 310			
TAX	1010	An Act to Provide Tax Relief for Working Families	LTW	1/22/2024	Leave to Withdraw Pursuant to Joint Rule 310			
TAX	1027	An Act to Prohibit Local Sales Taxes	ONTP	2/8/2024	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	1075	Resolve, to Review and Evaluate Film Production Incentives	OTP-AM/ONTP	3/8/2024	Finally Passed	RESLV	149	
TAX	1153	An Act Regarding Municipal Taxation of Certain Solar Energy Equipment	OTP-AM/ONTP	3/22/2024	Enacted	PL	682	
TAX	1184	An Act Regarding Sales and Use Tax Exemptions for Durable Medical Equipment, Breast Pumps and Mobility Enhancing Equipment	OTP-AM	3/20/2024	Held by Governor			
TAX	1222	An Act to Expand Child Care Services Through an Employer-supported Tax Credit	ONTP	2/29/2024	Ought Not to Pass Pursuant to Joint Rule 310			

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Comm	LD	Title	Committee Action	Date of last Comm Action	Disposition upon R2 Adjournment	Law	Ch	Analyst Note?
TAX	1231	An Act to Bring Fairness in Income Taxes to Maine Families by Adjusting the Tax Brackets	OTP-AM/OTP-AM	4/5/2024	Veto Sustained			
TAX	1258	An Act to Increase the Personal Property Tax Exemption for Farm Machinery	OTP-AM	5/24/2023				
TAX	1276	An Act to Create and Sustain Jobs and Affordable Housing Through the Development of Cooperatives and Employee-owned Businesses	OTP-AM	6/20/2023				
TAX	1298	An Act to Allow a Local Option Sales Tax on Short-term Lodging to Fund Affordable Housing	OTP-AM/ONTP	3/28/2024	Accepted Minority (ONTP) Report			
TAX	1303	An Act to Exempt Utility Vehicles Purchased for Qualified Commercial Fishing or Commercial Farming from State Sales Tax	OTP-AM	6/13/2023				
TAX	1335	An Act to Amend the Property Tax Stabilization for Senior Citizens Law	ONTP	2/8/2024	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	1337	An Act to Require a Biennial Report on the Corporate Income Tax to the Joint Standing Committee Having Jurisdiction over Taxation Matters	OTP-AM/ONTP	3/26/2024	Enacted	PL	627	
TAX	1345	An Act to Permit Municipalities to Establish by Ordinance a Program for Partial Deferral of Property Taxes for Seniors	OTP-AM/ONTP	2/23/2024	Enacted	PL	547	
TAX	1384	An Act to Promote Fairness in the Taxation of Adult Use Cannabis	OTP-AM/ONTP	6/21/2023				
TAX	1405	An Act to Change How Adult Use Cannabis Excise Tax Is Calculated	OTP-AM/OTP-AM/ONTP	3/19/2024				
TAX	1454	An Act Regarding the Distribution of Revenue from the Real Estate Transfer Tax	OTP-AM/ONTP	4/2/2024	Accepted Majority (ONTP) Report			

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Comm	LD	Title	Committee Action	Date of last Comm Action	Disposition upon R2 Adjournment	Law	Ch	Analyst Note?
TAX	1475	An Act to Establish a Grant Program to Promote Biomanufacturing and Biotechnology Development	OTP-AM/ONTP	6/21/2023				
TAX	1493	An Act to Increase Affordable Housing by Expanding Tax Increment Financing	OTP-AM/ONTP	6/20/2023				
TAX	1538	An Act to Provide Tax Benefits to Persons Constructing Accessory Dwelling Units	ONTP	2/8/2024	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	1573	An Act to Provide Financial Relief for Certain Volunteers Receiving Certain Education Benefits in Recognition of Their Volunteer Service	OTP-AM/ONTP	6/16/2023				
TAX	1648	An Act to Make Changes to the Farm and Open Space Tax Law	OTP-AM/ONTP	4/10/2024				
TAX	1685	An Act to Increase Acreage Eligibility and Change Requirements for Filing Plans Under the Maine Tree Growth Tax Law	ONTP	2/8/2024	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	1714	An Act to Create a Sustainable Funding Source for Recovery Community Centers Using a Percentage of the Adult Use Cannabis Tax Revenue	OTP-AM	6/20/2023	Enacted	PL	658	
TAX	1720	An Act to Phase Out the Insurance Premium Tax on Annuities	OTP-AM/ONTP	6/14/2023				
TAX	1737	An Act to Expand Property Tax Relief for Veterans and Their Survivors	OTP-AM/ONTP	3/29/2024	Held by Governor			
TAX	1755	An Act to Exempt Certain Youth Development Nonprofit Organizations from Sales Tax and the Service Provider Tax	OTP-AM	6/14/2023				
TAX	1774	An Act Exempting Certain Emergency Distributions and Emergency Savings Accounts from Taxation	ONTP	2/8/2024	Ought Not to Pass Pursuant to Joint Rule 310			

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Comm	LD	Title	Committee Action	Date of last Comm Action	Disposition upon R2 Adjournment	Law	Ch	Analyst Note?
TAX	1804	An Act to Improve the Reporting Process for Certain Tax Expenditure Programs	OTP-AM	4/10/2024	Enacted	PL	631	
TAX	1810	An Act to Expand the Maine Historic Rehabilitation Credit and Establish a Weatherization Tax Credit	OTP-AM/ONTP	4/12/2024				
TAX	1873	An Act to Provide Heating Relief with Tax-free Home Energy Savings Accounts	ONTP/OTP-AM	3/4/2024	Accepted Majority (ONTP) Report			
TAX	1891	Resolve, to Require the Office of Tax Policy to Study the Adoption of a Pass-through Entity Income Tax	OTP-AM/ONTP	4/3/2024	Finally Passed	RESLV	170	
TAX	1893	An Act to Allow a Municipality to Impose a Fee on Short-term Rentals for the Benefit of That Municipality	ONTP	2/8/2024	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	1900	An Act to Establish a Tax Credit for Employers Who Employ Persons Recovering from Substance Use Disorder	ONTP/OTP-AM	3/19/2024	Accepted Majority (ONTP) Report			
TAX	1958	An Act to Revise the Tax Laws Regarding the Mi'kmaq Nation	OTP-AM	6/20/2023				
TAX	1961	An Act to Support Potato Processing in Maine	LTW	1/22/2024	Leave to Withdraw Pursuant to Joint Rule 310			
TAX	1974	Resolve, Directing an Analysis of and Report on the Maine New Markets Capital Investment Program	OTP-AM/ONTP	3/8/2024	Finally Passed	RESLV	151	
TAX	1999	An Act to Ensure the Equitable Treatment of Military Retirement Plan Income	ONTP	2/8/2024	Ought Not to Pass Pursuant to Joint Rule 310			

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Comm	LD	Title	Committee Action	Date of last Comm Action	Disposition upon R2 Adjournment	Law	Ch	Analyst Note?
TAX	2000	An Act to Change the Taxation of Rental Tangible Personal Property to Make It Consistent with the Predominant Method in Other States' Rental Industry Laws for Sales and Use Tax	OTP-AM/ONTP	4/10/2024	Enacted	PL	673	
TAX	2005	An Act to Eliminate the Aircraft Excise Tax	ONTP	2/8/2024	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	2006	An Act to Amend the Laws Regarding Adjustments for Sudden and Severe Disruption of Municipal Valuation	OTP-AM	3/22/2024	Emergency Enacted	PL	629	
TAX	2022	An Act Updating References to the United States Internal Revenue Code of 1986 Contained in the Maine Revised Statutes	OTP	4/2/2024	Emergency Enacted	PL	619	
TAX	2023	An Act to Make Technical Changes to Maine's Tax Laws	OTP	2/15/2024	Enacted	PL	523	
TAX	2024	Resolve, to Authorize the State Tax Assessor to Convey the Interest of the State in Certain Real Estate in the Unorganized Territory	OTP-AM	2/23/2024	Finally Passed	RESLV	142	
TAX	2027	An Act Regarding the Property Tax Exemption, Business Equipment Tax Exemption and Business Equipment Tax Reimbursement for Facilities Storing Spent Nuclear Fuel and Radioactive Waste	OTP-AM/ONTP	3/22/2024	Emergency Enacted	PL	588	
TAX	2028	An Act to Amend Certain State Tax Laws	OTP-AM/OTP-AM	3/20/2024	Enacted	PL	613	
TAX	2048	An Act to Amend the Content of Notices Provided with Respect to Tax Liens on Certain Property	OTP-AM/ONTP	3/15/2024	Enacted	PL	579	
TAX	2076	An Act to Exempt from Excise Tax Vehicles of Active Duty Service Members Deployed Out-of-state	OTP-AM	3/8/2024	Enacted	PL	565	
TAX	2106	An Act to Strengthen the Historic Property Rehabilitation Tax Credit	OTP-AM/ONTP	3/8/2024				
TAX	2111	An Act Regarding the Timeline for Property Tax Abatement Based on Hardship or Poverty	ONTP	2/29/2024	Ought Not to Pass Pursuant to Joint Rule 310			

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Comm	LD	Title	Committee Action	Date of last Comm Action	Disposition upon R2 Adjournment	Law	Ch	Analyst Note?
TAX	2143	An Act to Exempt from Sales Tax the Sale and Delivery of All Residential Electricity	OTP-AM/OTP-AM	3/26/2024				
TAX	2144	An Act to Provide Property Tax Relief by Increasing the Availability of the Property Tax Fairness Credit for Resident Individuals Who Are 65 Years of Age or Older with Annual Income at or Below \$36,000	OTP-AM/ONTP	3/19/2024				
TAX	2162	An Act Regarding the Current Use Valuation of Working Waterfront Property	OTP-AM	3/29/2024	Enacted	PL	671	
TAX	2198	An Act to Remove the Exemption from Sales and Use Tax for Automobiles Purchased for Use as Rentals	OTP-AM/ONTP	3/20/2024	Died Between Houses			
TAX	2207	An Act to Establish Municipal Cost Components for Unorganized Territory Services to Be Rendered in Fiscal Year 2024-25	OTP-AM	3/15/2024	Emergency Enacted	PL	582	
TAX	2251	An Act to Amend the Mining Excise Tax Laws	OTP-AM/ONTP	4/15/2024	Held by Governor			
TAX	2258	An Act to Create an Income Tax Credit for Investments in a Team's Qualified Minor League Baseball Facility to Keep the Team in the State	OTP-AM/ONTP	4/12/2024	Enacted	PL	667	
TAX	2262	An Act to Amend the Process for the Sale of Foreclosed Properties Due to Nonpayment of Taxes	OTP-AM	4/9/2024	Enacted	PL	640	
TAX	2279	An Act to Promote Equity in the Forest Products Industry by Allowing Commercial Wood Haulers to Be Eligible for Certain Sales Tax Exemptions and Refunds	OTP-AM/ONTP/OTP-AM	4/16/2024				

JOINT STANDING COMMITTEE ON TAXATION

LD 803 An Act Regarding Department of Economic and Community Development Evaluations of State Investments in Economic Development

ENACTED LAW SUMMARY

Public Law 2023, chapter 599 adds the joint standing committee of the Legislature having jurisdiction over taxation matters as a recipient of Department of Economic and Community Development evaluations and progress reports regarding state investments in economic development. The law also clarifies that the current recipient of such reports is the joint standing committee of the Legislature having jurisdiction over economic development matters.

LD 1075 Resolve, to Review and Evaluate Film Production Incentives

ENACTED LAW SUMMARY

Resolve 2023, chapter 149 directs the Department of Economic and Community Development and the department's Office of Tourism, Maine State Film Office to review existing film production incentives in this State, evaluate film production incentives in other selected states and solicit input from stakeholders, industry experts and other state agencies and film offices in other states. The department must report the results of its review and evaluation to the joint standing committee of the Legislature having jurisdiction over taxation matters by December 30, 2024, including findings, requirements and recommendations and suggested legislation to amend or replace current visual media incentive laws. The committee is authorized to report out legislation related to the report to the 132nd Legislature in 2025.

LD 1153 An Act Regarding Municipal Taxation of Certain Solar Energy Equipment

ENACTED LAW SUMMARY

Public Law 2023, chapter 682 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 April 1, 2025, solar energy equipment is exempt from property taxation if:

1. The energy it produces is used on site;
2. The equipment is collocated with a net energy billing customer or customers subscribed to at least 50% of the energy produced on site; or
3. The energy the equipment produces is transmitted through an electric utility and accounted for using a bill credit mechanism and the generator of electricity had a fully executed interconnection agreement prior to June 1, 2024.

Public Law 2023, chapter 682 also requires the State Tax Assessor to update the solar energy equipment exemption information bulletin of the Department of Administrative and Financial

JOINT STANDING COMMITTEE ON TAXATION

Services, Bureau of 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.

LD 1337 An Act to Require a Biennial Report on the Corporate Income Tax to the Joint Standing Committee Having Jurisdiction over Taxation Matters

ENACTED LAW SUMMARY

Public Law 2023, chapter 627 requires a biennial report from the Department of Administrative and Financial Services, Bureau of Revenue Services to the joint standing committee of the Legislature having jurisdiction over taxation matters regarding certain aggregate corporate income tax data.

LD 1345 An Act to Permit Municipalities to Establish by Ordinance a Program for Partial Deferral of Property Taxes for Seniors

ENACTED LAW SUMMARY

Public Law 2023, chapter 547 permits municipalities to establish by ordinance a program for seniors that provides for partial stabilization of property taxes accompanied by deferral of the amount of taxes due in excess of the stabilized amount. The municipal ordinance must require that the taxpayer be a permanent resident of the State and have owned and occupied a homestead as a permanent residence in the municipality for a minimum number of years and must specify a minimum age and a minimum household income for eligibility for the program. Residents of a municipality that adopts such a program may not participate in the State's property tax deferral or stabilization programs.

LD 1714 An Act to Create a Sustainable Funding Source for Recovery Community Centers Using a Percentage of the Adult Use Cannabis Tax Revenue

ENACTED LAW SUMMARY

Public Law 2023, chapter 658 establishes the Recovery Community Centers Fund within the Department of Health and Human Services, Office of Behavioral Health to fund recovery community centers. It requires that, beginning July 1, 2025 and annually thereafter, \$2,000,000 from the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund be transferred to the Recovery Community Centers Fund for operational support and capacity building for recovery community centers.

JOINT STANDING COMMITTEE ON TAXATION

LD 1804 An Act to Improve the Reporting Process for Certain Tax Expenditure Programs

ENACTED LAW SUMMARY

Public Law 2023, chapter 631 clarifies and provides consistency regarding the reports the Commissioner of Economic and Community Development is required to submit to the Legislature relating to the Pine Tree Development Zone program, the Maine Employment Tax Increment Financing Program and the Dirigo business incentives program.

LD 1891 Resolve, to Require the Office of Tax Policy to Study the Adoption of a Pass-through Entity Income Tax

ENACTED LAW SUMMARY

Resolve 2023, chapter 170 requires the Department of Administrative and Financial Services, Bureau of Revenue Services, Office of Tax Policy to examine and evaluate the State's current system of taxation of pass-through entity business income at the partner or shareholder level and the possible adoption of a mandatory or elective pass-through entity income tax to tax such pass-through income, including the possibility of moving the taxation of that income, or some portion of that income, from the partner or shareholder level to the business entity that generated the income. The Office of Tax Policy is required to report to the joint standing committee of the Legislature having jurisdiction over taxation matters by January 15, 2025 and the committee is authorized to report out legislation related to the report to the 132nd Legislature in 2025.

LD 1974 Resolve, Directing an Analysis of and Report on the Maine New Markets Capital Investment Program

ENACTED LAW SUMMARY

Resolve 2023, chapter 151 directs the Finance Authority of Maine, in conjunction with the Department of Economic and Community Development, to examine and evaluate the Maine New Markets Capital Investment Program and submit a report of its findings and any recommended legislation to the joint standing committee of the Legislature having jurisdiction over taxation matters by January 31, 2025. In conducting the examination and evaluation, the Finance Authority of Maine may consult with the Department of Administrative and Financial Services, Maine Revenue Services and with other public and private entities with roles in economic development in the State. The joint standing committee is authorized to submit legislation relating to the report to the 132nd Legislature in 2025.

JOINT STANDING COMMITTEE ON TAXATION

LD 2000 An Act to Change the Taxation of Rental Tangible Personal Property to Make It Consistent with the Predominant Method in Other States' Rental Industry Laws for Sales and Use Tax

ENACTED LAW SUMMARY

Public Law 2023, chapter 673 changes the approach to the taxation of rental property from imposing sales and use tax on the lessor upfront on the purchase price of the rental property at acquisition or when brought into the State to imposing tax on lease or rental payments going forward, also known as the lease stream. Under lease stream taxation, the lessor is required to collect and remit sales or use tax from the lessee on each lease or rental payment. The law provides a limited time period during which a lessor who has paid sales or use tax on the purchase of rental property that is now subject to lease stream taxation may claim a refund. The changes apply to sales, leases and rentals on or after January 1, 2025.

LD 2006 An Act to Amend the Laws Regarding Adjustments for Sudden and Severe Disruption of Municipal Valuation

ENACTED LAW SUMMARY

Public Law 2023, chapter 629 provides that the amount of money that a municipality that qualifies for an adjustment in state valuation for sudden and severe disruption of valuation uses from undesignated fund balances to compensate for the reduction in municipal valuation does not reduce the amount of money that municipality receives in state-municipal revenue sharing. These changes apply to revenue sharing years beginning on or after July 1, 2024.

Public Law 2023, chapter 629 was enacted as an emergency measure effective April 16, 2024.

LD 2022 An Act Updating References to the United States Internal Revenue Code of 1986 Contained in the Maine Revised Statutes

ENACTED LAW SUMMARY

Public Law 2023, chapter 619 updates references to the United States Internal Revenue Code of 1986 contained in the Maine Revised Statutes, Title 36 to refer to the United States Internal Revenue Code of 1986, as amended through December 31, 2023, for tax years beginning on or after January 1, 2023 and for any prior tax year as specifically provided by the United States Internal Revenue Code of 1986, as amended.

Public Law 2023, chapter 619 was enacted as an emergency measure effective April 12, 2024.

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LD 2023 An Act to Make Technical Changes to Maine's Tax Laws

ENACTED LAW SUMMARY

Public Law 2023, chapter 523 makes the following technical changes to Maine's tax laws.

Part A makes the following changes to the property tax and tax benefit programs laws.

1. It updates outdated terms referencing municipalities and municipal officers.
2. It removes and replaces gender-specific language.
3. It corrects a conflict created by Public Law 2023, chapter 360 and Public Law 2023, chapter 412, which affected the same provisions of law, by combining the provisions in the two chapters.
4. It removes an obsolete reference to an application provision and instructions in the law governing the sale of tax-acquired properties as the instructions are no longer required.
5. It makes other technical and grammatical changes to the laws affecting Maine property tax.

Part B makes the following changes to the income tax laws.

1. It includes the United States Space Force in references to the United States Armed Forces.
2. It corrects a cross-reference in the law regarding the property tax fairness credit maximum benefit base.
3. It clarifies that payment of taxes for a short taxable year must be made in accordance with existing due dates for estimated tax installments that fall within the short taxable year.
4. It updates language in the law governing information returns to be consistent with state statutes and rules.
5. It makes other technical and grammatical changes to the laws affecting Maine income tax.

LD 2024 Resolve, to Authorize the State Tax Assessor to Convey the Interest of the State in Certain Real Estate in the Unorganized Territory

ENACTED LAW SUMMARY

Resolve 2023, chapter 142 authorizes the State Tax Assessor to convey the interest of the State in several parcels of real estate in the unorganized territory that were acquired by the State for nonpayment of property taxes.

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LD 2027 An Act Regarding the Property Tax Exemption, Business Equipment Tax Exemption and Business Equipment Tax Reimbursement for Facilities Storing Spent Nuclear Fuel and Radioactive Waste

ENACTED LAW SUMMARY

Public Law 2023, chapter 588 provides, for purposes of property tax exemptions for air pollution control facilities, that emissions from and particles of spent nuclear fuel and radioactive waste classified by the United States Nuclear Regulatory Commission as greater-than-Class C waste are not air pollution and a facility that stores spent nuclear fuel or radioactive waste classified by the United States Nuclear Regulatory Commission as greater-than-Class C waste is not exempt from property tax as an air pollution control facility. The law also provides that facilities that store spent nuclear fuel or such radioactive waste are not eligible for the business equipment tax exemption program or the Business Equipment Tax Reimbursement program. The law applies retroactively to property tax years beginning on or after April 1, 2022.

Public Law 2023, chapter 588 was enacted as an emergency measure effective April 2, 2024.

LD 2028 An Act to Amend Certain State Tax Laws

ENACTED LAW SUMMARY

Public Law 2023, chapter 613 makes the following minor substantive changes to Maine's tax laws.

Part A clarifies the circumstances under which a taxpayer who has delinquent taxes on multiple residential properties is disqualified from the homestead property tax deferral program.

Part B makes the following changes to the state sales tax and tobacco products tax laws.

1. It removes the Tourism Marketing Promotion Fund, the Multimodal Transportation Fund and the ATV Recreational Management Fund transfers from revenue subject to transfer to the Passamaquoddy Sales Tax Fund, the Penobscot Sales Tax Fund and the Maliseet Sales Tax Fund, thereby preventing more than 100% of the revenue from being transferred out of the General Fund.
2. It clarifies the tobacco products tax definition of "tobacco products" as including any product that contains nicotine, whether natural or artificial.

Part C makes changes to the state income tax law by updating the calculation of payments made to the Brunswick Naval Air Station Job Increment Financing Fund for businesses that are also part of the Maine Employment Tax Increment Financing Program to correspond with recent law changes switching the employment tax increment financing base from withholding to a percentage of incremental gross wages.

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Part D increases the frequency of the background investigations that employees and contractors of the Department of Administrative and Financial Services, Bureau of Revenue Services must undergo from at least once every 10 years to at least once every five years to comply with federal requirements for the protection of confidential federal tax information. Part D also requires a current employee of the Bureau of Revenue Services who has not undergone a background investigation within the past five years to submit to a background investigation by September 1, 2025.

LD 2048 An Act to Amend the Content of Notices Provided with Respect to Tax Liens on Certain Property

ENACTED LAW SUMMARY

Public Law 2023, chapter 579 changes the required method for notification to owners of homesteads subject to tax lien foreclosures of resources available to assist the owners with the foreclosure process. Under current law, the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection is responsible for providing certain notifications to homestead owners subject to tax lien foreclosure and providing information to owners about methods of challenging foreclosure actions. This law instead requires the Bureau of Consumer Credit Protection to post on a publicly accessible website information that may be used by municipalities and the State Tax Assessor for the unorganized territory to inform an owner of homestead property subject to tax lien foreclosure of the ways in which the homestead owner can access resources to help with avoiding tax lien foreclosure and ways to contact an advisor, including a lawyer, who can help the owner to work with the municipality or the State Tax Assessor regarding the foreclosure process.

LD 2076 An Act to Exempt from Excise Tax Vehicles of Active Duty Service Members Deployed Out-of-state

ENACTED LAW SUMMARY

Public Law 2023, chapter 565 extends the motor vehicle excise tax exemption provided in current law for persons on active military duty and permanently stationed in Maine to include persons on active military duty who are stationed outside the State or who are deployed for military service for more than 180 days or who were deployed for military service for at least 180 days in the past 12 months. It also extends the exemption to include members of the National Guard and the Reserves of the United States Armed Forces. The law also makes changes to clarify the documentation a person requesting the exemption is required to provide to verify the person's military service.

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LD 2162 An Act Regarding the Current Use Valuation of Working Waterfront Property

ENACTED LAW SUMMARY

Public Law 2023, chapter 671 amends the laws relating to the current use valuation of working waterfront land for property tax purposes. The law amends the definition of “working waterfront land” and makes changes to the calculation of current use valuation for certain types of working waterfront land. It allows a delay of the withdrawal penalty payment if the property owner is unable to pay a penalty assessed for withdrawal of working waterfront land from current use valuation. The law also requires a biennial report by the State Tax Assessor to the joint standing committee of the Legislature having jurisdiction over taxation matters containing various information about the value of working waterfront land and other information useful for administration of the law. The report may also include recommendations for improving the laws related to current use valuation of working waterfront property. The law also directs the State Tax Assessor to create an information bulletin regarding current use laws that apply to working waterfront lands that include any changes made to the current use laws after December 31, 2023.

LD 2207 An Act to Establish Municipal Cost Components for Unorganized Territory Services to Be Rendered in Fiscal Year 2024-25

ENACTED LAW SUMMARY

Public Law 2023, chapter 582 establishes municipal cost components for state and county services provided to the unorganized territory that would normally be paid for by a municipality. The municipal cost components constitute the property tax for the unorganized territory.

Public Law 2023, chapter 582 was enacted as an emergency measure effective March 28, 2024.

LD 2258 An Act to Create an Income Tax Credit for Investments in a Team’s Qualified Minor League Baseball Facility to Keep the Team in the State

ENACTED LAW SUMMARY

Public Law 2023, chapter 667 provides a refundable income tax credit for a qualified investment of at least \$1,000,000 by a certified applicant in a qualified professional baseball facility in the State. The credit is equal to 1.33% of the amount of the investment and the maximum credit that may be claimed by a certified applicant is \$133,000 per year and \$1,995,000 in total, with a maximum of 15 years over which the credit may be claimed. During the first 60 months following the investment, if the taxpayer fails to continue operations as a professional baseball facility, the applicant forfeits the entire credit taken. After the first 60 months, if the taxpayer fails to continue operations as a professional baseball facility during any year, the applicant is ineligible for any future credit until the taxpayer continues operations as a professional baseball facility. The law authorizes the Bureau of Revenue Services to disclose to the joint standing committee of the

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Legislature having jurisdiction over taxation matters certain information relating to taxpayers claiming the credit.

LD 2262 An Act to Amend the Process for the Sale of Foreclosed Properties Due to Nonpayment of Taxes

ENACTED LAW SUMMARY

Public Law 2023, chapter 640, which implements certain recommendations of the Working Group to Study Equity in the Property Tax Foreclosure Process pursuant to Public Law 2023, chapter 358, makes the following changes to improve the process when a municipality sells real property acquired for nonpayment of taxes by the former owner.

1. It requires the municipality to send a notice of impending automatic foreclosure to specify that the municipality may sell the property and pay any excess sale proceeds to the former owner.
2. It allows a municipality to use an agent as well as a real estate broker in the sale of the property.
3. It increases from six to 12 months the length of time the property may be listed for sale.
4. It allows the deduction from the proceeds of the sale fees incurred in selling the property but only to the extent those fees are not included in the broker or agent fee agreement.
5. It requires any fees imposed by a municipality on the property to be reasonable.
6. It requires an itemized written account of the deductions from the sale proceeds to be provided to the former owner when requested.
7. It requires an appraisal report to be prepared within 120 days if a municipality chooses to retain the property.
8. It specifies that a person receiving the excess sale proceeds waives the right to challenge the taking of the property but not the right to commence an action relating to the effective conveyance of the excess sale proceeds.
9. It provides that, if the former owner of foreclosed property cannot be located for distribution of excess amounts, the excess amounts must be turned over to the unclaimed property division of the Office of the Treasurer of State.

