

**TAXATION COMMITTEE**

MLS 3/24/2021 6:20 PM

**130<sup>th</sup> LEGISLATURE**

**1st REG SESSION**

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT <sup>1</sup>	
								FY22	FY23
191	395	3/18		Bailey	An Act To Permit Municipalities To Provide Assistance to Veterans in Paying Property Taxes	<p>This bill <u>authorizes municipalities</u> to adopt a program that provides benefits:</p> <ol style="list-style-type: none"> <li>1. to veterans and their eligible family members</li> <li>2. who own or rent a homestead in the municipality.</li> </ol> <p>The <u>benefit for owners</u> is based on the impact of <u>property tax equalization</u> on the amount received as a property tax exemption compared to the amount that would have applied if no equalization of value was applied.</p> <p>The <u>benefit for renters</u> is \$100.</p> <p><u>CURRENT LAW:</u> As required by the Maine Constitution the veteran's exemption of \$6,000 is based on equalized just value. If a municipality's valuation is at 90% of just value, the exemption is reduced to 90% of \$6,000 or \$5,400.</p> <p><u>THIS BILL:</u> provides a benefit to a homeowner equal to the difference in the reduction in property tax due to the equalization of the exemption amount.</p> <p><u>Sponsor indicated intent to provide that benefit is not taxable under the income tax.</u></p>			

<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>	
								FY22	FY23
201	780	3/18		Libby	An Act To Reduce Greenhouse Gas Emissions and Promote Weatherization in the Buildings Sector by Extending the Sunset Date for the Historic Property Rehabilitation Tax Credit	<p>This bill extends <u>the income tax credit for rehabilitation of historic properties</u> by amending the definition of "certified qualified rehabilitation expenditure" to <u>extend from 12/31/25 to 12/31/40</u> the date by which the proposed rehabilitation of a structure <u>meets standards for rehabilitation established by the National Park Service</u>.</p> <p>This expands the availability of the credit for 15 years.</p> <p>Technical amendment identified to also extend date for <u>MeSHA review and report on % of affordability</u>.</p> <p>Materials submitted by Maine Preservation</p>			
241	1198	3/18		Curry	An Act To Support the Trades through a Tax Credit for Apprenticeship Programs	<p>This bill provides:</p> <ol style="list-style-type: none"> <li><u>income tax credit</u></li> <li><u>up to \$2,500 (based on % of hours worked during year)</u></li> <li>for an <u>employer employing an apprentice participating</u> in an apprenticeship program registered by the Maine Apprenticeship Program administered by the Maine Department of Labor.</li> </ol> <p>Begins with TY 2022.</p> <p>MRS has technical concerns; need for clarification.</p>			<p>Preliminary MRS estimate</p> <p>Admin. costs (one time): \$33,000</p> <p>Revenue loss: \$1.5 million/year</p>
262	658	3/18		Roberts	An Act To Combat Hunger by Creating a Tax Credit of 10 Percent of Wholesale Market Prices up to \$5,000 Annually for Businesses Engaged in Food Production for Donations of Food to Tax-exempt Organizations –	<p>This bill provides an <u>income tax credit</u> for donations:</p> <ol style="list-style-type: none"> <li>Of <u>agricultural products, aquacultural products or fishing products</u></li> <li><u>By persons engaged in commercial agricultural production, commercial aquacultural production or commercial fishing</u></li> <li>To a <u>food bank, food kitchen or other tax exempt organization that provides food to low-income individuals without charging a fee for the food or requiring any other type of compensation</u> from the low-income individuals.</li> </ol> <p>The credit is equal to 10% of the wholesale market price of the donated products up to a <u>maximum credit of \$5,000</u>.</p> <p>MRS technical concerns; need for clarification.</p>			<p>Preliminary MRS estimate</p> <p>Admin costs \$33,000</p> <p>Revenue loss: no estimate</p>

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT <sup>1</sup>	
								FY22	FY23
534	1848	3/18		Chipman	An Act To Allow Tax Abatements for Catastrophic Loss	<p>This bill <u>allows municipal assessors</u>, or the State Tax Assessor for property in the unorganized territory, <u>to abate the property taxes of real property that :</u></p> <ol style="list-style-type: none"> <li><u>1. due to destruction by flood, fire, explosion or natural disaster</u></li> <li><u>2. occurring after 4/1 tax status date</u></li> <li><u>3. suffers at least a 50% decrease in just value to improvements on that real property.</u></li> </ol> <p><u>MRS has technical and potential constitutional concerns.</u></p>			