

# TAX WS 2/27/2024

TAXATION COMMITTEE  
131<sup>st</sup> LEGISLATURE  
2nd REG SESSION

**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
1298	2113			Skold	An Act to Allow a Local Option Sales Tax on Short-term Lodging to Fund Affordable Housing	<p>This bill <u>allows a municipality to impose a local option sales tax of 1% on short-term lodging (of less than 30 days) that is subject to the state sales and use tax if approved by referendum of the voters in that municipality.</u></p> <p><u>The revenue from the local option sales tax must be distributed to the municipality imposing the local option sales tax.</u></p> <p><u>The distributed revenue must be used in municipal programs that support affordable housing development in that municipality, including rental assistance for lower income households or moderate income households.</u></p> <p><u>Revenue received by a municipality may not be used to reduce or eliminate funding otherwise due the municipality under other provisions of law. The local option sales tax may not take effect before July 1, 2024.</u></p>	COR	CO-T		
		2/13/24	2/27/24			<p>Similar bill, LD 1893 (Strout) voted ONTP</p> <p>MRS concerns</p> <ol style="list-style-type: none"> <li>1. Maine Constitutionality of local option</li> <li>2. U&gt;S&gt; Constitutoinality of application to remote sellers</li> <li>3. Technical concerns affecting administration etc.</li> </ol>				

<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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2022	2702	2/13	2/27	Grohoski	An Act Updating References to the United States Internal Revenue Code of 1986 Contained in the Maine Revised Statutes	<p>MRS annual bill:</p> <p>This bill <u>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</u></p> <p><u>MRS asks Committee to hold bill as long as possible in case there is federal legislation enacted after 12/31/23 that needs to be accommodated to achieve full conformity.</u></p>				
2027	2653	2/6/24	2/27	Reny	An Act to Clarify the Property Tax Exemption for Air Pollution Control Facilities	<p>This bill <u>specifies that a facility that stores spent nuclear fuel or radioactive waste classified by the United States Nuclear Regulatory Commission as greater-than-Class C waste may not be considered an air pollution control facility for purposes of eligibility for an exemption from property taxation.</u></p> <p>This bill also <u>corrects a cross-reference.</u></p> <p>This bill <u>applies retroactively to property tax years beginning on or after April 1, 2022 and to any actions or proceedings pending at the time of passage of the bill.</u></p> <p><u>MRS has concerns about retroactivity; and possible need to reimburse municipalities.</u></p>			MRS Estimate 1/11/24	No State fiscal impact

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									FY24	FY25
2048	2695	2/13	2/27	Perry	An Act to Amend the Content of Notices Provided with Respect to Tax Liens on Certain Property	This bill <u>removes a provision in the laws governing tax liens that requires</u> a municipality, or the State Tax Assessor in the case of an unorganized territory, to place language in a <u>notice of lien</u> on a property on which a homestead exemption is <u>claimed that the taxpayer may contact the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection regarding options for finding an advisor to assist the taxpayer in working with the taxing entity to avoid tax lien foreclosure.</u>			Preliminary fiscal impact Statement  No fiscal impact	