

TAX WS 2/28/2024

TAXATION COMMITTEE
131st 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 ¹	
									FY24	FY25
1231	1161	5/3	5/17 5/31	Carmichael	An Act to Bring Fairness in Income Taxes to Maine Families by Adjusting the Tax Brackets	CONCEPT DRAFT: This bill is a concept draft pursuant to Joint Rule 208. This bill would <u>change the income tax brackets</u> for imposition of the individual Maine income tax but <u>retain the same tax rates</u> .	COR	CO-T		
			1/25 2/22			1/25/24 WS scheduled; not taken up 2/28 Sponsor has proposed Committee Amendment (Changes to IT rates and brackets)				
1337	1529	4/13	4/20	Matlack	An Act to Require a Corporation That Files a Tax Return in the State to File a Tax Disclosure Statement	This bill requires a corporation (<u>includes a domestic corporation, a foreign corporation and a financial institution that files a tax return with the State</u>) to <u>file a tax disclosure statement</u> with the Department of Administrative and Financial Services, Bureau of Revenue Services. (<u>Does Not include a “qualified personal service corporation as defined by the IRC</u>) The bill <u>requires MRS to:</u> <ul style="list-style-type: none"> • <u>adopt major substantive rules</u> for the procedures <u>to provide public access to the tax disclosure statements at least 3 calendar years following the tax year of the filing</u> and • <u>adopt major substantive rules</u> for <u>oversight and penalties for failing to file or filing an inaccurate tax disclosure statement</u>. 	COR	CO-T		

¹ . 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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						<p>The bill permits a corporation that files a tax disclosure statement to submit supplemental information that could facilitate proper interpretation of the information included in the tax disclosure statement.</p> <p>It requires a corporation that files an amended tax return or with a tax liability that is changed as the result of an uncontested audit adjustment or final determination by the bureau, the Maine Board of Tax Appeals or Superior Court to file a revised tax disclosure statement within 60 calendar days of filing the amended return or the final determination.</p> <p>It requires MRS to make the tax disclosure statement available to the public on an ongoing basis in the form of a searchable database accessible through the Internet.</p> <p>It requires the chief operating officer of a corporation to attest in writing to the accuracy of the tax disclosure statement.</p> <p>It requires MRS to audit a corporation's tax disclosure.</p> <p>It requires the MRS to publish the name of and penalty imposed upon a corporation subject to a penalty for failing to file or filing an inaccurate tax disclosure statement.</p>				
			1/30 2/22			<p>1/30/24/ Sponsor submitted amendment.</p> <p>Amendment replaces the bill: Requires MRS to report specified corporate tax data to TAX Committee annually.</p>	tabled			

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2028	2807	2/8/24 2/22	2/22	Grohoski	An Act to Amend Certain State Tax Laws	<p>Annual MRS bill to amend tax laws (“minor substantive changes”)</p> <p>Part A <u>Clarifies the circumstances under which a taxpayer who has delinquent taxes on multiple residential properties is disqualified from the homestead property tax deferral program.</u></p> <p>Part B makes changes to the <u>state sales tax and tobacco products tax law.</u></p> <p>1. <u>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;</u> and</p> <p>2. <u>Clarifies the tobacco products tax definition of "tobacco products" as including any product that contains nicotine.</u></p> <p>Part C makes changes to the state income tax and insurance premiums tax law.</p> <p>1. <u>Updates 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;</u> and</p> <p>2. <u>Generally aligns the insurance premiums tax estimated tax payment due dates and amounts with those of the corporate income tax and</u></p>				

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						<u>makes other nonsubstantive changes to clarify the law.</u>				
2207	3076	2/22		Perry	An Act to Establish Municipal Cost Components for Unorganized Territory Services to Be Rendered in Fiscal Year 2024-25	<p>Bill and related materials described by Nancy Bodine, Fiscal Administrator for the UT></p> <p>This bill establishes municipal cost components for state and county services provided in the unorganized territory that would normally be paid for by a municipality budget with funds raised via the local property tax.</p> <p>The municipal cost components constitute the identification of the amount of tax needed to be raised by property tax in the unorganized territory. Statewide services are paid by revenue assessed throughout the UT. County services are apportioned only to the counties where the services are provided.</p>			<p>No net fiscal impact</p> <p>Revenues collected is dedicated to UT Education and Services Fund and used to provide municipal services within the UT</p>	