

Shaded LDs have been voted on by the Committee

PH 4/2/21

TAXATION COMMITTEE

MLS 3/31/2021 1:12 PM

130th 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 ¹	
								FY22	FY23
94	253			Doudera	An Act To Allow Municipalities to Exempt Volunteer Firefighters from Paying Excise Tax on Their Vehicles Used To Respond to Fire Calls	This bill <u>authorizes municipalities to adopt an ordinance extending a vehicle excise tax exemption to volunteer firefighters.</u>			
229	435	4/2		Farrin	An Act To Increase Investment Caps in the Maine Seed Capital Tax Credit Program	This bill increases the annual cap on eligible investment in any one business eligible for the seed capital tax credit from \$2,000,000 to \$3,000,000 and the aggregate cap on eligible investment in any one eligible business from \$3,500,000 to \$6,000,000.		Fiscal Note Potential reduction in number of businesses that receive the seed capital tax credit at a higher amount. Cap on credit remains the same.	
724	700			Ordway	An Act To Base the Vehicle and Mobile Home Excise Tax on Actual Value	This bill <u>changes the method of computing the vehicle excise tax levied on motor vehicles registered in the State except for certain large commercial vehicles.</u> <u>Current law: Except for certain large commercial vehicles, the vehicle excise tax is based upon the maker's list price.</u> <u>The excise tax on certain commercial motor vehicles and buses and special mobile equipment is based on the purchase price.</u> <u>This bill . Requires that:</u> <u>1. The excise tax for all motor vehicles, mobile homes and camper trailers</u> <u>2. Be based upon the actual value of the vehicle or mobile home</u> <u>3. As the time of delivery to the owner,</u> <u>4. As determined by sources approved by the State Tax Assessor.</u>			

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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						Requires the State to reimburse a municipality for the difference in the amount of excise tax that would have been collected by the municipality on each commercial motor vehicle or bus using the manufacturer's suggested retail price instead of the actual purchase price. Reimbursement currently required for vehicles with excise tax based on purchase price.			
950	1747	4/2		Bennett	An Act To Improve Maine's Economic Development Incentives	<p>This bill provides that the <u>FAME may not issue a certificate of eligibility for a refundable seed capital tax credit to a private venture capital fund until after certificates have been issued for nonrefundable credits and only if the annual limit on certificates will not be exceeded.</u></p> <p>The bill also provides ongoing appropriations of <u>\$500,000 annually to the Governor's Jobs Initiative Program to be used as matching funds for worker training or retraining in manufacturing industries.</u></p>		Fiscal Note \$500,000 appropriation annually for worker training or retraining in manufacturing businesses	
970	1272			Connor	An Act To Base the Motor Vehicle Excise Tax on Actual Sale Price	<p>This bill provides that, <u>for a motor vehicle purchased after December 31, 2022, the motor vehicle excise tax must be based on the purchase price for the motor vehicle if purchased from a new vehicle dealer or a used car dealer.</u></p> <p><u>For other motor vehicles, the excise tax continues to be based on the maker's list price.</u></p>			
978	649			Hepler	An Act To Create an Access to Justice Income Tax Credit	<p>This bill provides an <u>income tax credit for 5 years for attorneys who practice law in the State and agree to practice for at least 5 years in an underserved area of the State</u> as determined by the Supreme Judicial court. Eligibility for the credit is open from 2022 through 2027. The court may certify <u>up to 5 eligible attorneys each year.</u> The <u>Taxation Committee matters is directed to review the effectiveness</u> of the credit and may submit legislation to extend or revise it.</p>			

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1046	1706			Terry	An Act To Create an Income Tax Return Checkoff for Hunger Prevention	<p>This bill requires the inclusion of an <u>income tax check-off provision</u> on Maine income tax forms for taxpayers who wish to contribute to support the <u>emergency food assistance program administered by the Department of Agriculture, Conservation and Forestry</u>.</p> <p>It also establishes the <u>Emergency Food Assistance Program Fund</u>, to which revenue collected from the income tax checkoff is credited.</p>			
1062	486			Cloutier	An Act To Phase Out the Insurance Premium Tax on Annuities	<p>This bill phases out the insurance premium tax on annuity considerations over 10 years beginning in 2022 and provides that during the phase-out period the retaliatory tax on non-Maine insurance companies does not apply. The bill also specifies that certain deductions related to annuities may be deducted from annuity considerations for tax periods beginning on or after January 1, 2022.</p>			