

Shaded LDs have been voted on by the Committee

PH 4/15/21

TAXATION COMMITTEE

jsj 4-14-21

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
428	1634	4/15		Tepler	An Act To Prevent Tax Haven Abuse	<p>This bill <u>requires corporations that file unitary income tax returns in Maine to include income from certain specified jurisdictions outside the United States considered "tax havens" in net income when apportioning income among tax jurisdictions.</u></p> <p>The <u>State Tax Assessor is required to adopt major substantive rules</u> to determine the income or loss attributable to such corporations and to prevent double taxation or deduction of income.</p> <p>The <u>assessor is required to submit an annual report to TAX Committee regarding whether jurisdictions should be added to or deleted from the list of tax havens based on specified criteria.</u></p>			
966	1153			Tepler	Resolve, Establishing the Commission To Study Fair, Equitable and Competitive Tax Policy for Maine's Working Families and Small Businesses	<p>This resolve <u>establishes the Commission To Study Fair, Equitable and Competitive Tax Policy for Maine's Working Families and Small Businesses</u> and develop recommendations to:</p> <ol style="list-style-type: none"> 1. ensure tax policy is fair and equitable 2. whether tax policy improves the competitive position of the State 3. encourage investment in new and existing small businesses 4. help attract skill workers 5. level the playing field for small business 6. aid entrepreneurs 7. adequately fund important government services <p>The bill directs the commission, no later than November 4, 2021, to <u>submit a report, including suggested legislation, for presentation to the Second Regular Session of the 130th Legislature.</u></p>			

¹ . 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 ¹	
								FY22	FY23
1118	910			Lawrence	An Act To Promote Reliable Rural High-speed Internet	<p>This bill provides an <u>income tax credit</u> for:</p> <ol style="list-style-type: none"> <u>high-speed Internet service providers</u> <u>who engage in a project approved by the Commissioner of ECD</u> <u>that provides high-speed Internet service</u> <u>where the average number of potential customers per mile does not exceed 20 and</u> <u>the cost to the customers does not exceed the CPI cost for high-speed Internet service in a metropolitan area.</u> <p>Applies to TYs beginning on or after 1/1/22.</p>			
1251	1373	4/15		Arata	An Act To Encourage Charitable Giving	<p>This bill allows individuals, beginning with 2021 tax years, to claim itemized charitable income tax deductions that exceed the State's limit on itemized deductions.</p> <p><u>CURRENT LAW:</u> Limit on itemized deductions (excluding medical and dental expenses) is \$28,350.</p>			
1257	752	4/15		Lookner	An Act To Encourage Inclusionary Zoning in Municipalities by Increasing Revenue Sharing	<p>This bill creates an additional level of state-municipal revenue sharing to provide additional resources to municipalities with inclusionary zoning to <u>increase the availability of affordable housing.</u></p> <p>The bill requires the <u>transfer from the General Fund to the Inclusionary Zoning Fund of 0.25% of the revenue sharing base (IT, ST, portion of SPT).</u></p> <p>Amounts received by the Inclusionary Zoning Fund are <u>distributed to municipalities with "inclusionary zoning" in proportion to relative population of the municipalities.</u></p>			
1261	1614	4/15		Hepler	An Act To Improve Camping Opportunities in Maine by Exempting Certain Campground Rental Fees from the Sales and Use Tax	<p>This bill <u>repeals the definitions of "tourist camp" and "trailer camp" and replaces those terms with the term "campground" in the sales and use tax law.</u></p> <p>This bill <u>exempts from sales and use tax rental fees charged to a person who resides for 28 days or longer at one campground.</u></p> <p>This bill <u>also exempts from the sales and use tax the rental of a site at a campground regardless of the number of days of residence as long as nothing else of value is provided by the owner of that campground to the renter.</u></p>			

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT ¹	
								FY22	FY23
1335	629			Tepler	An Act To Provide for Exemption from the Sales Tax for Basic Needs Products and Offset the Loss of Revenue	<p>This bill amends the definition of "grocery staples" exempt from the sales tax to include <u>toilet paper, diapers or menstrual products</u>, effective August 1, 2022.</p> <p>The bill requires <u>Maine Revenue Services to study</u></p> <ol style="list-style-type: none"> 1. amount of any sales tax revenue lost by classifying toilet paper, menstrual products and diapers as grocery staples, as exempt from sales tax. 2. <u>available options to offset any lost sales tax revenue</u>, including taxation of imported luxury foods. <p>Maine Revenue Services is directed <u>to submit a report to the TAX Committee by December 1, 2021</u>, and the committee is authorized to submit a bill based on the report to the Second Regular Session of the 130th Legislature.</p>			

P:\OFPR\TAXCMTE\130th-1\commchartmaster.docx