

Shaded LDs have been voted on by the Committee

5/9/2023

TAXATION COMMITTEE
 131st LEGISLATURE
 1st REG SESSION
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LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT ¹	
								FY24	FY25
1631	196	5/9		Bailey	An Act to Establish the Gas Tax Fairness Credit	<p>This bill enacts a <u>new gas tax fairness credit</u>, based on the current sales tax fairness credit.</p> <p>In order to be eligible, a <u>taxpayer must have had a motor vehicle registered in Maine for at least 6 months of the tax year</u> for which the credit is being claimed.</p> <p>The credit is:</p> <ol style="list-style-type: none"> \$125 for single individuals and \$175 for individuals filing MJ or HoH increased by \$25 or \$50 depending on number of children eligible for child tax credit and Phased out for income over \$20,000 S, \$30,000HoH, \$40,000 MJ. 			
1681	1321	5/9		Boyer	An Act to Encourage Residential Water Testing by Providing an Income Tax Deduction	This bill provides a <u>income tax deduction (subtraction modification) for expenses related to water testing for a residence occupied by the taxpayer.</u>			
1689	1347	5/9		Chipman	An Act to Exempt Prescription Pet Medications from Sales Tax	This bill establishes an <u>exemption from the sales and use tax for medications for pets sold on a doctor's prescription.</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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1747	1078	5/9		Arata	An Act to Return the Sales Tax Rate to 5 Percent	<p>This bill decreases the general sales tax rate from 5.5% to <u>5.25% beginning October 1, 2023</u> and to <u>5% beginning July 1, 2024</u>.</p> <p>This bill does not change the rate of the sales tax imposed on prepared food, lodging, rental vehicles, liquor or adult use cannabis.</p>			
1755	1462	5/9		Curry	An Act to Exempt All Youth Development Nonprofit Organizations from Sales Tax and the Service Provider Tax	<p>Current law: Provides an <u>exemption</u> from the sales and use tax and the service provider tax for sales <u>to nonprofit youth organizations whose primary purpose is to provide athletic instruction in a nonresidential setting</u>.</p> <p>This bill: <u>Extends those exemptions to all nonprofit youth organizations beginning 1/1/24</u>.</p>			
1774	1077	5/9		Arata	An Act Exempting Certain Emergency Distributions and Emergency Savings Accounts from Taxation	<p>This bill provides for an <u>IT deduction of the following amounts</u> from FAGI for purposes of <u>calculating MAGI gross income</u> (subtraction modification):</p> <ol style="list-style-type: none"> 1. An amount constituting <u>an emergency personal expense distribution from an eligible retirement plan</u> allowed under the federal Consolidated Appropriations Act, 2023, Public Law 117-328, Division T, Section 115; and 2. <u>Any capital gains, dividends or interest earned in pension-linked emergency savings accounts</u> described under the federal Consolidated Appropriations Act, 2023, Public Law 117-328, Division T, Section 127. 			

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1810	1684	5/9		Terry	An Act to Expand the Maine Historic Rehabilitation Credit and Establish a Weatherization Tax Credit	<p>This bill amends the IT credit for historic properties by:</p> <ol style="list-style-type: none"> 1. <u>Increasing the tax credit from 25% to 30% of the certified qualified rehabilitation expenditures of a taxpayer for a certified historic structure if the taxpayer does not claim a credit under IRC, Section 47;</u> 2. <u>Increasing the allowable certified qualified rehabilitation expenditures of a taxpayer from a maximum of \$250,000 to a maximum of \$1,000,000 for a certified historic structure if the taxpayer does not claim a credit under the IRC, Section 47;</u> 3. <u>Increasing the increased tax credit for a certified affordable housing project from 30% to 35% of certified qualified rehabilitation expenditures for which a credit is claimed under the Code, Section 47; and</u> 4. <u>Increasing the increased tax credit for a certified affordable housing project from 30% to 45% of certified qualified rehabilitation expenditures if the taxpayer does not claim a credit under the Code, Section 47.</u> 5. <u>The bill establishes a credit for rehabilitation and weatherization of historic homes equal to 25% of the qualified exterior rehabilitation expenditures of a taxpayer who incurs at least \$5,000 and not more than \$62,500 in expenditures for a certified historic home. It also provides for an increased credit of 30% of expenditures up to \$75,000 under certain circumstances. It requires the Director of Maine Historic Rehabilitation Commission to determine eligibility.</u> 6. <u>The bill adds the credit for rehabilitation and weatherization of historic homes to the biennial report that the Maine Historic Preservation Commission provides to the Legislature</u> 			