

STATE OF MAINE
132ND LEGISLATURE
SECOND REGULAR SESSION



Disposition of bills and summaries of all laws enacted or finally passed

JOINT STANDING COMMITTEE ON
TAXATION

May 2026

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Joint Standing Committee on Taxation

SUBJECT INDEX

Administration of Tax Laws

Enacted LD 2178 An Act to Establish the Independent Office of Tax Appeals and Make Other Changes to the Laws Governing the Tax Appeals Process PUBLIC 734

Cannabis Taxation

Enacted LD 1654 An Act to Exempt Certain Sales and Transfers of Adult Use Cannabis from Excise Tax PUBLIC 504

Not Enacted LD 1942 An Act to Establish an Excise Tax on Cannabis Pre-roll and to Change the Tax on Potentially Intoxicating Hemp Products Died On Adjournment

Income Tax - General

Not Enacted LD 1879 An Act to Support Maine's Agricultural Economy by Increasing Revenue from the Corporate Income Tax Died On Adjournment

Income Tax - Reform

Not Enacted LD 229 An Act to Bring Fairness in Income Taxes to Maine Families by Adjusting the Tax Brackets and Tax Rates Died On Adjournment

LD 1089 An Act to Permanently Fund 55 Percent of the State's Share of Education by Establishing a Tax on Incomes of More than \$1,000,000 Died On Adjournment

LD 1682 An Act to Increase Fairness in the Income Tax by Adding Higher Tax Brackets and Tax Rates Leave to Withdraw Pursuant to Joint Rule 310

LD 1939 An Act to Close Maine's Tax Loophole for Offshore Profit Shifting Majority (ONTP) Report

Income Tax Conformity

Not Enacted LD 2010 An Act Updating References to the United States Internal Revenue Code of 1986 Contained in the Maine Revised Statutes Died On Adjournment

Income Tax Credits, Exemptions, Deductions and Incentives

Enacted	LD 713	An Act to Exclude Data Centers from the Business Equipment Tax Exemption and the Dirigo Business Incentives Program and to Require the Department of Economic and Community Development to Study Financial Incentives for Data Centers	PUBLIC 768
	LD 1652	An Act to Expand the Dental Care Access Credit	PUBLIC 713
	LD 2116	An Act to Extend the Sunset Date of the Affordable Housing Income Tax Credit	PUBLIC 699
Not Enacted	LD 191	An Act to Support Maine Businesses by Establishing a Pass-through Entity Tax and Tax Credit	Died On Adjournment
	LD 435	An Act to Expand the Historic Property Rehabilitation Tax Credit	Died On Adjournment
	LD 714	An Act to Allow the Victim of a Fraudulent Scheme to Claim a State Income Tax Deduction for Losses Attributable to the Fraudulent Scheme	Died On Adjournment
	LD 756	An Act Creating and Sustaining Jobs Through the Development of Cooperatives and Employee-owned Businesses by Providing Tax Deductions for Certain Qualified Business Activities	Died On Adjournment
	LD 883	An Act to Extend the Sunset Date of the Access to Justice Tax Credit	Died On Adjournment
	LD 926	An Act to Promote Research and Development in the State by Amending the Research Expense Tax Credit	ONTP
	LD 1223	An Act to Establish an Income Tax Credit for Net Energy Billing Costs	Died On Adjournment
	LD 1294	An Act to Expand the Dependent Exemption Tax Credit	Died On Adjournment
	LD 1555	An Act to Establish an Employer Tax Credit for Qualifying Child Care Costs	Died On Adjournment
	LD 1574	An Act to Amend the Credit for Educational Opportunity and Student Loan Repayment Tax Credit	Died On Adjournment
	LD 1694	An Act to Provide an Income Tax Credit for Certain Disaster Mitigation Projects for Working Waterfront Property	ONTP
LD 1699	An Act to Create a Refundable Tax Credit for Agricultural Enterprises	ONTP	

LD 1735	An Act to Provide an Income Tax Deduction for Certain Contributions to a Qualified Achieving a Better Life Experience Program Account	Died On Adjournment
LD 1954	An Act to Update the Sales Tax Fairness Credit	Died On Adjournment
LD 1957	An Act to Promote Film Production in Maine	Died On Adjournment
LD 2044	An Act to Make the Biofuel Commercial Production and Commercial Use Tax Credit and the Renewable Chemicals Tax Credit Refundable	Died On Adjournment

Miscellaneous

Enacted	LD 145	An Act to Provide Funding to the Office of Aging and Disability Services to Support the Long-term Care Ombudsman	PUBLIC 741
	LD 2188	An Act to Amend Certain State Tax Laws	PUBLIC 662
	LD 2244	An Act to Implement Certain Preliminary Recommendations of the Real Estate Property Tax Relief Task Force and to Make Other Changes to Tax Laws	PUBLIC 739

Motor Vehicle Excise Tax

Enacted	LD 15	An Act to Modify the Excise Tax on Camper Trailers	PUBLIC 523
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Municipal Revenue Sharing

Not Enacted	LD 382	An Act to Establish a System of Revenue Sharing for the Use and Management of Coastal Resources	ONTP
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Property Tax - Exemptions

Not Enacted	LD 140	An Act to Incrementally Increase the Homestead Property Tax Exemption	Died On Adjournment
	LD 264	An Act to Remove the 12-month Waiting Period for the Maine Resident Homestead Property Tax Exemption	Died On Adjournment
	LD 326	An Act to Increase the Property Tax Exemption Provided to Individuals Who Are Legally Blind	Died On Adjournment

LD 438	An Act to Allow Municipalities to Limit Nonprofit Property Tax Exemptions	ONTP
LD 1506	An Act to Amend the Personal Property Tax Exemption for Individually Owned Personal Property	Died On Adjournment
LD 1931	An Act to Annually Reimburse the Town of Charleston for 43 Percent of Property Tax Revenue Lost Due to the Mountain View Correctional Facility's Tax-exempt Status	ONTP

Property Tax Relief Programs

Not Enacted

LD 715	An Act to Provide Property Tax Relief by Increasing the Availability of the Property Tax Fairness Credit Based on a Resident's Age and Income	Died On Adjournment
LD 888	An Act to Expand Property Tax Relief for Veterans and Survivors of Veterans	Died On Adjournment
LD 1665	An Act to Provide Property Tax Relief to Maine Families	Died On Adjournment

Sales and Use Tax

Not Enacted

LD 1056	An Act to Clarify the Tax Treatment of Prepaid Wireless Telecommunications Service in Maine	Died On Adjournment
LD 1211	An Act Regarding Certain Definitions in the Sales and Use Tax Laws Affecting Rental Equipment	Died On Adjournment

Sales Tax Exemptions, Exclusions or Refunds

Not Enacted

LD 192	An Act to Exempt from State Sales Tax Utility Vehicles Purchased for Use in Commercial Fishing, Agricultural Production, Aquacultural Production and Wood Harvesting	Died On Adjournment
LD 1099	An Act to Exempt Diapers from Sales Tax	Died On Adjournment
LD 1313	An Act to Promote Equity in the Forest Products Industry by Allowing Commercial Wood Haulers to Be Eligible for Certain Sales Tax Exemptions and Refunds	Died On Adjournment
LD 1419	An Act to Provide a Sales Tax Exemption for Housing Constructed Off-site Similar to That for On-site Construction	Died On Adjournment
LD 1515	An Act to Exempt Wheelchair Adapted Motor Vehicles from the Sales and Use Tax	Died On Adjournment

Taxation

LD 1734	An Act to Exempt Over-the-counter Medicines from the Sales and Use Tax	Died On Adjournment
LD 2078	An Act to Exempt from Sales Tax the Sale and Delivery of All Residential Electricity	Died On Adjournment

Tax Expenditure Review

Not Enacted

LD 1107	An Act to Amend the Tax Expenditure Review Process and Centralize Incentive Data Collection	Died On Adjournment
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Unorganized Territory

Enacted

LD 2075	Resolve, to Authorize the State Tax Assessor to Convey the Interest of the State in Certain Real Estate in the Unorganized Territory	RESOLVE 145
LD 2222	An Act to Establish Municipal Cost Components for Unorganized Territory Services to Be Rendered in Fiscal Year 2026-27	PUBLIC 656

DIGEST OF BILLS
132ND LEGISLATURE SECOND REGULAR SESSION - 2026

Joint Standing Committee on Taxation

Committee	LD	Title	Sponsor	Committee Vote	Disposition	Law	Ch #	Analyst Note
TAX	15	An Act to Modify the Excise Tax on Camper Trailers	Libby, James	OTP-AM	Enacted	PL	523	
TAX	140	An Act to Incrementally Increase the Homestead Property Tax Exemption	Baldacci, Joseph	OTP-AM	Died On Adjournment			
TAX	145	An Act to Provide Funding to the Office of Aging and Disability Services to Support the Long-term Care Ombudsman	Rotundo, Margaret	OTP-AM	Enacted	PL	741	
TAX	191	An Act to Support Maine Businesses by Establishing a Pass-through Entity Tax and Tax Credit	Hasenfus, Tavis	OTP-AM	Died On Adjournment			√
TAX	192	An Act to Exempt from State Sales Tax Utility Vehicles Purchased for Use in Commercial Fishing, Agricultural Production, Aquacultural Production and Wood Harvesting	Faulkingham, Billy Bob	OTP-AM	Died On Adjournment			
TAX	229	An Act to Bring Fairness in Income Taxes to Maine Families by Adjusting the Tax Brackets and Tax Rates	Matlack, Ann	OTP-AM/ONTP	Died On Adjournment			
TAX	264	An Act to Remove the 12-month Waiting Period for the Maine Resident Homestead Property Tax Exemption	Hepler, Allison	OTP-AM/OTP-AM	Died On Adjournment			
TAX	326	An Act to Increase the Property Tax Exemption Provided to Individuals Who Are Legally Blind	Bridgeo, William	OTP-AM	Died On Adjournment			√
TAX	382	An Act to Establish a System of Revenue Sharing for the Use and Management of Coastal Resources	Martin, Joseph	ONTP	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	435	An Act to Expand the Historic Property Rehabilitation Tax Credit	Hasenfus, Tavis	OTP-AM/ONTP	Died On Adjournment			
TAX	438	An Act to Allow Municipalities to Limit Nonprofit Property Tax Exemptions	Hymes, Benjamin	ONTP	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	713	An Act to Exclude Data Centers from the Business Equipment Tax Exemption and the Dirigo Business Incentives Program and to Require the Department of Economic and Community Development to Study Financial Incentives for Data Centers	Cloutier, Kristen	OTP-AM/ONTP	Enacted	PL	768	

DIGEST OF BILLS
132ND LEGISLATURE SECOND REGULAR SESSION - 2026

Joint Standing Committee on Taxation

Committee	LD	Title	Sponsor	Committee Vote	Disposition	Law	Ch #	Analyst Note
TAX	714	An Act to Allow the Victim of a Fraudulent Scheme to Claim a State Income Tax Deduction for Losses Attributable to the Fraudulent Scheme	Cloutier, Kristen	OTP-AM	Died On Adjournment			
TAX	715	An Act to Provide Property Tax Relief by Increasing the Availability of the Property Tax Fairness Credit Based on a Resident's Age and Income	Milliken, Nina	OTP-AM	Died On Adjournment			
TAX	756	An Act Creating and Sustaining Jobs Through the Development of Cooperatives and Employee-owned Businesses by Providing Tax Deductions for Certain Qualified Business Activities	Reny, Cameron	OTP-AM/ONTP	Died On Adjournment			
TAX	883	An Act to Extend the Sunset Date of the Access to Justice Tax Credit	Quint, Tracy	OTP-AM	Died On Adjournment			
TAX	888	An Act to Expand Property Tax Relief for Veterans and Survivors of Veterans	Hymes, Benjamin	OTP-AM	Died On Adjournment			√
TAX	926	An Act to Promote Research and Development in the State by Amending the Research Expense Tax Credit	Sayre, Dan	ONTP	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	1056	An Act to Clarify the Tax Treatment of Prepaid Wireless Telecommunications Service in Maine	Crockett, Ed	OTP-AM	Died On Adjournment			
TAX	1089	An Act to Permanently Fund 55 Percent of the State's Share of Education by Establishing a Tax on Incomes of More than \$1,000,000	Golek, Cheryl	OTP-AM/ONTP	Died On Adjournment			
TAX	1099	An Act to Exempt Diapers from Sales Tax	Murphy, Kelly	OTP-AM/ONTP	Died On Adjournment			

DIGEST OF BILLS
132ND LEGISLATURE SECOND REGULAR SESSION - 2026

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Committee	LD	Title	Sponsor	Committee Vote	Disposition	Law	Ch #	Analyst Note
TAX	1107	An Act to Amend the Tax Expenditure Review Process and Centralize Incentive Data Collection	Sachs, Melanie	OTP-AM/ONTP	Died On Adjournment			
TAX	1211	An Act Regarding Certain Definitions in the Sales and Use Tax Laws Affecting Rental Equipment	Farrin, Brad	OTP-AM/OTP-AM	Died On Adjournment			
TAX	1223	An Act to Establish an Income Tax Credit for Net Energy Billing Costs	Foster, Steven	OTP-AM/OTP-AM	Died On Adjournment			
TAX	1294	An Act to Expand the Dependent Exemption Tax Credit	Daughtry, Matthea	OTP-AM/ONTP/OTP-AM	Died On Adjournment			
TAX	1313	An Act to Promote Equity in the Forest Products Industry by Allowing Commercial Wood Haulers to Be Eligible for Certain Sales Tax Exemptions and Refunds	Farrin, Brad	OTP-AM	Died On Adjournment			
TAX	1419	An Act to Provide a Sales Tax Exemption for Housing Constructed Off-site Similar to That for On-site Construction	Bennett, Richard	OTP-AM	Died On Adjournment			
TAX	1506	An Act to Amend the Personal Property Tax Exemption for Individually Owned Personal Property	Greenwood, Randall	OTP-AM	Died On Adjournment			
TAX	1515	An Act to Exempt Wheelchair Adapted Motor Vehicles from the Sales and Use Tax	Arata, Amy	OTP-AM	Died On Adjournment			
TAX	1555	An Act to Establish an Employer Tax Credit for Qualifying Child Care Costs	Hasenfus, Tavis	OTP-AM/ONTP	Died On Adjournment			
TAX	1574	An Act to Amend the Credit for Educational Opportunity and Student Loan Repayment Tax Credit	Jackson, Caldwell	OTP-AM	Died On Adjournment			
TAX	1652	An Act to Expand the Dental Care Access Credit	Stover, Holly	OTP-AM	Enacted	PL	713	
TAX	1654	An Act to Exempt Certain Sales and Transfers of Adult Use Cannabis from Excise Tax	Boyer, Jr., David	OTP-AM	Enacted	PL	504	
TAX	1665	An Act to Provide Property Tax Relief to Maine Families	Carney, Anne	OTP-AM/ONTP	Died On Adjournment			
TAX	1682	An Act to Increase Fairness in the Income Tax by Adding Higher Tax Brackets and Tax Rates	Osher, Laurie	LTW	Leave to Withdraw Pursuant to Joint Rule 310			

DIGEST OF BILLS
132ND LEGISLATURE SECOND REGULAR SESSION - 2026

Joint Standing Committee on Taxation

Committee	LD	Title	Sponsor	Committee Vote	Disposition	Law	Ch #	Analyst Note
TAX	1694	An Act to Provide an Income Tax Credit for Certain Disaster Mitigation Projects for Working Waterfront Property	Rielly, Morgan	ONTP	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	1699	An Act to Create a Refundable Tax Credit for Agricultural Enterprises	Pluecker, Bill	ONTP	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	1734	An Act to Exempt Over-the-counter Medicines from the Sales and Use Tax	Daughtry, Matthea	OTP-AM/ONTP	Died On Adjournment			
TAX	1735	An Act to Provide an Income Tax Deduction for Certain Contributions to a Qualified Achieving a Better Life Experience Program Account	Guerin, Stacey	OTP-AM	Died On Adjournment			
TAX	1879	An Act to Support Maine's Agricultural Economy by Increasing Revenue from the Corporate Income Tax	Pluecker, Bill	OTP-AM/ONTP	Died On Adjournment			
TAX	1931	An Act to Annually Reimburse the Town of Charleston for 43 Percent of Property Tax Revenue Lost Due to the Mountain View Correctional Facility's Tax-exempt Status	Foster, Steven	ONTP	Ought Not to Pass Pursuant to Joint Rule 310			
TAX	1939	An Act to Close Maine's Tax Loophole for Offshore Profit Shifting	Matlack, Ann	ONTP/OTP-AM	Accepted Majority (ONTP) Report			
TAX	1942	An Act to Establish an Excise Tax on Cannabis Pre-roll and to Change the Tax on Potentially Intoxicating Hemp Products	Sayre, Dan	OTP-AM/OTP-AM/ONTP	Died On Adjournment			
TAX	1954	An Act to Update the Sales Tax Fairness Credit	Daughtry, Matthea	OTP-AM	Died On Adjournment			
TAX	1957	An Act to Promote Film Production in Maine	Copeland, Lynn	ONTP/OTP-AM	Died On Adjournment			
TAX	2010	An Act Updating References to the United States Internal Revenue Code of 1986 Contained in the Maine Revised Statutes	Sayre, Dan		Died On Adjournment			√

DIGEST OF BILLS
132ND LEGISLATURE SECOND REGULAR SESSION - 2026

Joint Standing Committee on Taxation

Committee	LD	Title	Sponsor	Committee Vote	Disposition	Law	Ch #	Analyst Note
TAX	2044	An Act to Make the Biofuel Commercial Production and Commercial Use Tax Credit and the Renewable Chemicals Tax Credit Refundable	Pierce, Teresa	OTP-AM/ONTP	Died On Adjournment			
TAX	2075	Resolve, to Authorize the State Tax Assessor to Convey the Interest of the State in Certain Real Estate in the Unorganized Territory	Sayre, Dan	OTP-AM	Finally Passed	Resolve	145	
TAX	2078	An Act to Exempt from Sales Tax the Sale and Delivery of All Residential Electricity	Webb, Kilton	OTP-AM	Died On Adjournment			
TAX	2116	An Act to Extend the Sunset Date of the Affordable Housing Income Tax Credit	Rana, Ambureen	OTP-AM/ONTP	Enacted	PL	699	
TAX	2178	An Act to Establish the Independent Office of Tax Appeals and Make Other Changes to the Laws Governing the Tax Appeals Process	Grohoski, Nicole	OTP-AM/ONTP	Enacted	PL	734	
TAX	2188	An Act to Amend Certain State Tax Laws	Sayre, Dan	OTP-AM	Enacted	PL	662	
TAX	2222	An Act to Establish Municipal Cost Components for Unorganized Territory Services to Be Rendered in Fiscal Year 2026-27		OTP-AM/OTP-AM	Emergency Enacted	PL	656	
TAX	2244	An Act to Implement Certain Preliminary Recommendations of the Real Estate Property Tax Relief Task Force and to Make Other Changes to Tax Law			Enacted	PL	739	

**JOINT STANDING COMMITTEE ON
TAXATION**

LD 15 An Act to Modify the Excise Tax on Camper Trailers

Public Law 2025, chapter 523 changes the method of taxation of camper trailers so that each camper trailer operated on public ways is subject to an annual excise tax based on the length of the camper trailer instead of on the manufacturer's suggested retail price and the age of the camper trailer. The rate of tax is adjusted annually for inflation.

Public Law 2025, chapter 523 was finally enacted in both the House and the Senate prior to the adjournment sine die of the First Special Session in 2025 but was not signed by the Governor. Pursuant to the Constitution of Maine, Public Law 2025, chapter 523 became law without the Governor's signature on January 11, 2026.

Public Law 2025, chapter 523 was subsequently amended by Public Law 2025, chapter 757 to change the effective date from January 1, 2026 to 90 days after adjournment of the Second Regular Session of the 132nd Legislature.

LD 145 An Act to Provide Funding to the Office of Aging and Disability Services to Support the Long-term Care Ombudsman

Public Law 2025, chapter 741 provides one-time funding in the Office of Aging and Disability Services Central Office program to support the delivery of long-term care ombudsman services in Aroostook County.

LD 713 An Act to Exclude Data Centers from the Business Equipment Tax Exemption and the Dirigo Business Incentives Program and to Require the Department of Economic and Community Development to Study Financial Incentives for Data Centers

Public Law 2025, chapter 768 provides that a data center that begins operations on or after August 1, 2026 is excluded from the Dirigo business incentives program and that property located in a data center that begins operations on or after August 1, 2026 does not qualify as eligible business equipment for the purposes of the business equipment tax exemption. The law requires the Department of Economic and Community Development to study potential financial incentives that a data center may benefit from based on current state laws. The department must submit a report based on the study to the joint standing committee of the Legislature having jurisdiction over taxation matters no later than November 4, 2026.

LD 1652 An Act to Expand the Dental Care Access Credit

Public Law 2025, chapter 713 reestablishes the dental care access credit beginning January 1, 2027. The credit allows five eligible dentists per year to receive a credit against income tax for five years in the amount of \$6,000 in the first year, \$9,000 in the 2nd year, \$12,000 in the third year, \$15,000 in the fourth year and \$18,000 in the fifth year. The Department of Health and Human Services must certify that the eligible dentists meet the conditions of eligibility. The law

**JOINT STANDING COMMITTEE ON
TAXATION**

requires annual reporting to the joint standing committee of the Legislature having jurisdiction over taxation matters. The law also repeals the statutory provisions governing the dental care access credit on December 31, 2037.

LD 1654 An Act to Exempt Certain Sales and Transfers of Adult Use Cannabis from Excise Tax

Public Law 2025, chapter 504 exempts from the cannabis excise tax the sale or transfer of adult use cannabis to a cultivation facility and exempts the transfer of adult use cannabis to a products manufacturing facility when the adult use cannabis is returned to the original cultivation facility in the same form and weight within 30 days.

Public Law 2025, chapter 504 was finally enacted in both the House and the Senate prior to the adjournment sine die of the First Special Session in 2025 but was not signed by the Governor. Pursuant to the Constitution of Maine, Public Law 2025, chapter 504 became law without the Governor's signature on January 11, 2026.

LD 2075 Resolve, to Authorize the State Tax Assessor to Convey the Interest of the State in Certain Real Estate in the Unorganized Territory

Resolve 2025, chapter 145 authorizes the State Tax Assessor to convey the State's interest in certain parcels of real estate in the unorganized territory.

LD 2116 An Act to Extend the Sunset Date of the Affordable Housing Income Tax Credit

Public Law 2025, chapter 699 extends the sunset date for the affordable housing income tax credit to December 31, 2036.

LD 2178 An Act to Establish the Independent Office of Tax Appeals and Make Other Changes to the Laws Governing the Tax Appeals Process

Public Law 2025, chapter 734 changes the tax dispute resolution and administrative tax appeals process as follows.

Part A adds to the duties and responsibilities of the taxpayer advocate and experience officer in the Department of Administrative and Financial Services, Bureau of Revenue Services the making of recommendations to further improve the tax appeals process.

Part B creates the Independent Office of Tax Appeals in the Department of Administrative and Financial Services to replace the Maine Board of Tax Appeals and simplifies and modernizes the appeals process to improve the tax dispute resolution process. Part B takes effect January 1, 2027.

JOINT STANDING COMMITTEE ON TAXATION

Part C adds to the authority and duty of the Commissioner of Administrative and Financial Services to supervise and direct the administration of the State Claims Commission the authority and duty to supervise and direct the administration of the State Board of Property Tax Review and Independent Office of Tax Appeals.

Part D adds legislative review of the Independent Office of Tax Appeals and changes the year for legislative review of the State Board of Property Tax Review from 2027 to 2028.

Part E transfers all three existing Legislative Count and funding in the Maine Board of Tax Appeals to the newly created Independent Office of Tax Appeals as of January 1, 2027.

LD 2188 An Act to Amend Certain State Tax Laws

Public Law 2025, chapter 662 makes the following changes to the State's tax laws.

Part A makes the following changes to the State's tax laws.

1. It amends the definition of "notice" to increase from three to seven the number of days after which a notice by first-class mail is deemed to be received.
2. It removes references to the expired Maine capital investment credit and makes other changes related to the removal of those references.
3. It aligns the pension deduction phase-out for married individuals filing separate returns with that of single individuals.
4. It corrects a cross-reference to the law authorizing income tax due date extensions.

Part B makes the following changes to the State's tax laws.

1. It removes crutches and wheelchairs from the exemption pertaining to prosthetic or orthotic devices under the Maine Revised Statutes, Title 36, section 1760, subsection 5-A and includes crutches and wheelchairs in the definition of "mobility-enhancing equipment" to ensure that they are exempt from sales tax under MRS, Title 36, section 1760, subsection 117.
2. It repeals the sales tax exemption for sales of tangible personal property to be physically incorporated in and become a part of a portable classroom for lease to a school since this exemption is included in the exemption for property used in production, which includes sales to lessors of tangible personal property that becomes an ingredient or component part of property to be leased or rented out.
3. It clarifies the sales tax exemption for property used in production to correspond with the recent inclusion of leases in the definition of "sale."

**JOINT STANDING COMMITTEE ON
TAXATION**

4. It clarifies that the tobacco products tax on smokeless tobacco applies to smokeless tobacco products.

Part C makes the following changes to the State’s tax laws.

1. It clarifies that the property tax year is from April 1st to March 31st instead of the overlapping April 1st to April 1st.
2. It updates provisions regarding the procedure for documenting that a seller of real property has paid the seller’s pro rata share of taxes owed on property that is still the subject of a lien reflecting taxes due from someone else, adds language regarding proof of payment pursuant to a written property tax proration agreement and clarifies that a municipality may collect unpaid real estate taxes through means not specified in the bill.
3. It changes cross-references as they pertain to a lien upon real estate.
4. It repeals, for property acquired by a municipality for delinquent taxes, the law regarding an excess funds process that a municipality is permitted to implement by ordinance. That process was rendered obsolete by the enactment of MRS, Title 36, section 943-C.
5. It corrects a clerical error.
6. It ensures that any sales of real estate upon which a tax lien mortgage has been foreclosed, other than sales to the former owner of the real estate, are made in compliance with the requirements of the United States Supreme Court’s decision in *Tyler v. Hennepin County*, 598 U.S. 631 (2023).
7. It makes a grammatical correction by replacing the term “sum” with “product.”
8. It clarifies that property held in a revocable living trust meets the fee simple estate ownership requirement for the homestead property tax deferral program.
9. It aligns the homestead property tax deferral program’s foreclosure process with the general property tax provisions regarding the sale of foreclosed property.

Part D makes the following changes to the State’s tax laws.

1. It removes the requirement that the State Tax Assessor annually provide each municipality with the amount of state-municipal revenue sharing and state aid for education. The Department of Education and the Office of the Treasurer of State maintain and provide this information on their respective websites.
2. It clarifies the repeal of the law regarding the income subtraction modification for long-term care insurance premiums made in Public Law 2015, chapter 267.

**JOINT STANDING COMMITTEE ON
TAXATION**

3. It clarifies that the subtraction modification for any earnings on funds in an account established under a qualified ABLE program applies only to the extent that the amount is included in federal adjusted gross income.

LD 2222 An Act to Establish Municipal Cost Components for Unorganized Territory Services to Be Rendered in Fiscal Year 2026-27

Public Law 2025, chapter 656 establishes municipal cost components for state and county services provided to the unorganized territory that would normally be paid for by a municipality. The municipal cost components constitute the property tax for the unorganized territory. The law also provides for a one-time prepayment in fiscal year 2025-26 to the unorganized territories of Washington County and requires recovery of prepayment through the municipal cost component on or before June 30, 2027.

LD 2244 An Act to Implement Certain Preliminary Recommendations of the Real Estate Property Tax Relief Task Force and to Make Other Changes to Tax Law

Public Law 2025, chapter 739 amends Resolve 2025, chapter 108, which established the Real Estate Property Tax Relief Task Force, to allow the task force to meet eight times in 2026. The law also requires the Department of Administrative and Financial Services, Bureau of Revenue Services to administer a survey to assessors to gather data on the administration of the Maine Tree Growth Tax Law.

**JOINT STANDING COMMITTEE ON
TAXATION**

ANALYST NOTES

This section includes additional information relating to certain LDs as noted in a committee digest. This is information staff found useful and may provide useful information to users of this digest. Please note that most LDs do not have a note and lack of a note should not be interpreted as having any significance.

LD 191 An Act to Support Maine Businesses by Establishing a Pass-through Entity Tax and Tax Credit

Although this bill was not enacted, aspects of the substance of the bill were incorporated into the supplemental budget bill enacted as Public Law 2025, chapter 650. See Appropriations and Financial Affairs, Enacted Law Summary, LD 2212, Part N.

LD 326 An Act to Increase the Property Tax Exemption Provided to Individuals Who Are Legally Blind

Although this bill was not enacted, aspects of the substance of the bill were incorporated into the supplemental budget bill enacted as Public Law 2025, chapter 650. See Appropriations and Financial Affairs, Enacted Law Summary, LD 2212, Part M.

LD 888 An Act to Expand Property Tax Relief for Veterans and Survivors of Veterans

Although this bill was not enacted, aspects of the substance of the bill were incorporated into the supplemental budget bill enacted as Public Law 2025, chapter 650. See Appropriations and Financial Affairs, Enacted Law Summary, LD 2212, Part M.

LD 2010 An Act Updating References to the United States Internal Revenue Code of 1986 Contained in the Maine Revised Statutes

Although this bill was not enacted, aspects of the substance of the bill were incorporated into the supplemental budget bill enacted as Public Law 2025, chapter 650. See Appropriations and Financial Affairs, Enacted Law Summary, LD 2212, Part K.

**132nd LEGISLATURE
TAXATION**

Summary of Committee Actions

I. BILLS AND PAPERS CONSIDERED	<u>Number</u>	<u>% of Comm Activity</u>	<u>% of All Bills/Papers</u>
A. Bills referred to Committee			
<i>Bills referred and reported out</i>	8	29.6%	1.1%
<i><u>Bills carried over from previous session</u></i>	<u>18</u>	<u>66.7%</u>	<u>2.5%</u>
Total Bills referred	26	96.3%	3.6%
B. Bills reported out by law or joint order and not referred back to committee	0	0.0%	0.0%
C. Bills referred, but not reported out (LD 2010)	1		
Total Bills considered by Committee	27	100.0%	3.7%
Orders and Resolutions referred to Committee			
<i>Joint Study Orders referred and reported out</i>	0	0.0%	0.0%
<i>Joint Resolutions/Orders referred and reported out</i>	0	0.0%	0.0%
<i>Joint Resolutions/Orders carried over from previous session</i>	<u>0</u>	<u>0.0%</u>	<u>0.0%</u>
Total Orders and Resolutions Referred	0	0.0%	0.0%
II. COMMITTEE REPORTS			
	<u>Number</u>	<u>% of this Committee's Reports</u>	<u>% of All Committee Reports</u>
A. Unanimous committee reports			
<i>Ought to Pass</i>	0	0.0%	0.0%
<i>Ought to Pass as Amended</i>	9	34.6%	2.0%
<i>Leave to Withdraw</i>	1	3.8%	0.2%
<i><u>Ought Not to Pass</u></i>	<u>6</u>	<u>23.1%</u>	<u>1.4%</u>
Total unanimous reports	16	61.5%	3.6%
B. Divided committee reports			
<i>Two-way reports</i>	9	34.6%	2.0%
<i>Three-way reports</i>	1	3.8%	0.2%
<i><u>Four-way reports</u></i>	<u>0</u>	<u>0.0%</u>	<u>0.0%</u>
Total divided reports	10	38.5%	2.3%
Total committee reports	26 *	100.0%	5.9%
III. CONFIRMATION HEARINGS			
	0	N/A	N/A
IV. FINAL DISPOSITION			
	<u>Number</u>	<u>% of Comm Bills/Papers</u>	<u>% of All Bills/Papers</u>
A. Bills and Papers enacted or finally passed			
<i>Joint Study Orders</i>	0	0.0%	0.0%
<i>Public laws</i>	9	33.3%	1.2%
<i>Private and Special Laws</i>	0	0.0%	0.0%
<i>Resolves</i>	1	3.7%	0.1%
<i><u>Constitutional Resolutions</u></i>	<u>0</u>	<u>0.0%</u>	<u>0.0%</u>
Total Enacted or Finally Passed	10 **	37.0%	1.4%
B. Resolves to authorize major substantive rules			
Rules authorized without legislative changes	0	0.0%	0.0%
Rules authorized with legislative changes	0	0.0%	0.0%
<i><u>Rules not authorized by the Legislature</u></i>	<u>0</u>	<u>0.0%</u>	<u>0.0%</u>
Total number of rules reviewed	0	0.0%	0.0%
C. Bills vetoed or held by Governor			
<i>Vetoed over-ridden</i>	0	0.0%	0.0%
<i>Vetoed sustained</i>	0	0.0%	0.0%
<i><u>Held by the Governor</u></i>	<u>0</u>	<u>0.0%</u>	<u>0.0%</u>
Total	0	0.0%	0.0%

* Total committee reports does not include LD2010, which was referred to the Tax Committee, but was not reported out.

** Total number of enacted laws includes one bill that was reported out of the TAX Committee during the 131st First Regular or First Special Sessions, carried over on the Special Appropriations Table and then enacted during the Second Regular Session; and two bills that were enacted during the First Regular or First Special Sessions, held by the Governor and then became law at the beginning of the Second Regular Session.