

STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND TWENTY-THREE

S.P. 531 - L.D. 1313

**An Act to Amend the Tax Credit for Major Business Headquarters
Expansions Regarding Employees' Location and Time of Hire for Purposes
of the Credit**

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 36 MRSA §5219-QQ, sub-§1, ¶C, as enacted by PL 2017, c. 297, §2, is amended to read:

C. "Employees based in the State" means employees that perform more than 50% of employee-related activities for the employer at ~~the headquarters~~ a location in the State.

Sec. 2. 36 MRSA §5219-QQ, sub-§3, ¶B, as repealed and replaced by PL 2019, c. 401, Pt. D, §2, is amended by amending subparagraph (1) to read:

(1) A credit is not allowed for any tax year during which the taxpayer does not meet or exceed the following employment targets as measured on the last day of the tax year.

(a) For each of the first 10 tax years for which the credit is claimed, there must be a total of at least 80 additional full-time employees based in the State above the certified applicant's base level of employment whose jobs were added ~~since the first day of the first tax year for which the credit was claimed~~ on or after January 1, 2018 multiplied by the number of years for which the credit has been claimed, including the tax year for which the credit is currently being claimed.

(b) For each tax year after the 10th tax year for which the credit is claimed, the taxpayer must employ a total of at least 800 additional full-time employees based in the State above the certified applicant's base level of employment whose jobs were added ~~since the first day of the first tax year for which the credit was claimed~~ on or after January 1, 2018.

Jobs for additional full-time employees that are counted for determining eligibility for the credit under one certificate of completion may not be counted for determining eligibility for the credit under a separate certificate of completion. For purposes of this paragraph, "additional full-time employees" does not include

employees who are shifted to a certified applicant's headquarters in the State from an affiliated business in the State. The commissioner shall determine whether a shifting of employees has occurred. For purposes of this paragraph, "affiliated business" has the same meaning as in section 6753, subsection 1-A.

Sec. 3. 36 MRSA §5219-QQ, sub-§4, ¶A, as repealed and replaced by PL 2019, c. 401, Pt. D, §3, is amended by amending subparagraph (5) to read:

(5) The average and median wages of all additional full-time employees above the certified applicant's base level of employment in the State whose jobs were added ~~since the first day of the first tax year for which the credit was claimed~~ on or after January 1, 2018; and

Sec. 4. Retroactivity. This Act applies retroactively to January 1, 2021.