



# 130th MAINE LEGISLATURE

## FIRST SPECIAL SESSION-2021

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Legislative Document

No. 1737

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S.P. 593

In Senate, July 19, 2021

**An Act To Clarify the Definition of "Qualified Investment" for  
Purposes of the Income Tax Credit for Paper Manufacturing  
Facility Investment**

(AFTER DEADLINE)

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

Presented by President JACKSON of Aroostook.

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

2 **Sec. 1. 36 MRSA §5219-YY, sub-§1, ¶I**, as enacted by PL 2021, c. 482, §3 and  
3 affected by §5, is amended to read:

4 I. "Qualified investment" means expenditures of at least \$15,000,000 to design, permit,  
5 build, rebuild, modify, replace, repair or acquire machinery or equipment, including  
6 supporting equipment, to modernize or improve a paper manufacturing facility. The  
7 expenditures of a qualified applicant and other entities, whether or not incorporated,  
8 that are part of a single business enterprise must be aggregated to determine whether a  
9 qualified investment has been made. A qualified investment includes any amount  
10 spent, prior to the issuance of a certificate of approval, on machinery, equipment, repair  
11 parts, replacement parts or replacement equipment, including additions and accessions  
12 to other machinery and equipment, as long as the machinery, equipment, parts,  
13 additions or accessions are placed in service after the issuance of a certificate of  
14 approval. A qualified investment does not include an investment made prior to January  
15 1, ~~2024~~ 2019 or after December 31, ~~2025~~ 2023. "Qualified investment" does not  
16 include any amount expended to qualify for Pine Tree Development Zone program  
17 benefits under Title 30-A, chapter 206, subchapter 4.

18 **Sec. 2. 36 MRSA §5219-YY, sub-§3, ¶A**, as enacted by PL 2021, c. 482, §3 and  
19 affected by §5, is amended to read:

20 A. Subject to the limitations under paragraph B, beginning with the tax year during  
21 which a certificate of completion is issued under subsection 2, paragraph E or the tax  
22 year beginning in ~~2023~~ 2024, whichever is later, and for each of the following 9 tax  
23 years, a certified applicant is allowed a credit against the tax due under this Part for the  
24 taxable year in an amount equal to 4% of the certified applicant's qualified investment.

25 The credit allowed under this subsection is refundable.

26 **Sec. 3. PL 2021, c. 482, §5** is repealed.

27 **SUMMARY**

28 This bill amends the law governing the refundable income tax credit for paper  
29 manufacturers by changing the definition of "qualified investment" to exclude investments  
30 made prior to January 1, 2019 or after December 31, 2023. Public Law 2021, chapter 482  
31 excludes investments made prior to January 1, 2021 or after December 31, 2025. The bill  
32 also amends Public Law 2021, chapter 482 to repeal the effective date of January 1, 2024.