

TAX R2 WS 2/14/2024

TAXATION COMMITTEE
131st LEGISLATURE
2nd REG SESSION

ABBREVIATIONS

COR Carry over requested by TAX

CO-T Carried over in TAX

SHADED LDs HAVE BEEN VOTED

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FINAL ACTION	FISCAL IMPACT ¹	
									FY24	FY25
1153	1513	4/5	4/12	Woodsome	An Act to Allow Municipalities to Tax Personal Solar Energy Equipment Under 5 Megawatts	<p>Current law provides a <u>property tax exemption</u> for solar and wind energy equipment that generates heat or electricity IF:</p> <ol style="list-style-type: none"> all of the <u>energy</u> is used on the site where the property is located, <u>or</u> the energy is <u>transmitted through the facilities of a transmission and distribution utility, and a utility customer or customers receive a utility bill credit for the energy generated by the equipment.</u> <p>This bill removes wind energy equipment from the exemption.</p>	<p>tabled</p> <p>COR</p>	CO-T		
			1/11/24 1/23/24 2/7/24 2/14/24				tabled			
1804	898	5/11	5/16	Bennett	An Act to Provide Transparency and Accountability for Corporate Tax Expenditures	<p>This bill expands <u>info</u> required to be reported in annual reports by the <u>Commissioner of DECD</u> and <u>STA</u> regarding several tax expenditures</p> <ol style="list-style-type: none"> Commissioner of DECD <u>to TAX and IDEAB on Pine Tree Development Zones (PTDZ)</u> and <u>STA or local assessor?</u> to TAX and IDEAB <u>to on BETE</u> 	COR	CO-T	<p>MRS estimates</p> <p>Admin costs: \$26,000 to \$300,000</p> <p>Revenue impact: Revenue neutral</p>	

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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						<p>3. <u>Commissioner of DECD to TAX on info related to employment tax increment financing (ETIF)</u></p> <p>4. <u>STA to TAX on BETR</u></p> <p>5. <u>STA to TAX on shipbuilding facility credits</u></p> <p>Reports required under <u>CURRENT LAW:</u> <u>PTDZ:</u> 6/1 annually Commissioner DECD report to TAX and IDEAB specified info. Pursuant to PL 2023, c. 412 Part J, PTDZ program is being replaced by Dirigo Business Incentive Program (contains report by STA to DECD and TAX and IDEAB Committees.</p> <p><u>BETE:</u> Current law reporting requirement not found. <u>OPEGA BETR/BETE TER report</u> issued Feb. 2020.</p> <p><u>ETIF:</u> Pursuant to PL 2023, c. 412, Part J entry into ETIF ends 12/1/24. Benefits are available for 10 years after entry (12/2034. Reporting requirement not found. <u>OPEGA ETIF TER report</u> issued Jan. 2019.</p> <p><u>BETR:</u> STA Reporting requirement repealed in 2017 in MRS bill. <u>OPEGA BETR/BETE TER report</u> issued Feb. 2020.</p> <p><u>Shipbuilding Credit:</u> STA reports to TAX biennially employment levels and qualified investment.</p>				
			1/30/24 2/14/24			Sponsor submitted proposal for amendment in 1/11/24	tabled			

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						1. Add Dirigo Business Incentive Program 2. Add application date and timing of annual reports 3. Update Shipbuilding language 4. Include confidentiality exception provisions Maine Revenue Services identifies several administrative concerns and need for statutory changes.	for sponsor to bring info to TAX?			
1810	1684	5/9		Terry	An Act to Expand the Maine Historic Rehabilitation Credit and Establish a Weatherization Tax Credit	This bill amends the IT credit for historic properties by 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>	COR	CO-T	MRS estimates Admin costs \$33,000 Revenue impact Not yet available	

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						<p>5. The <u>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.</u> It requires the Director of Maine Historic Rehabilitation Commission to determine eligibility.</p> <p>6. . The bill <u>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></p>				
			1/24/24 2/14/24			<p>Proposed amendment provided by Maine Preservation (Tara Kelly) 5/9/23 testimony (red/black type)</p> <ul style="list-style-type: none"> • MRS identifies many administrative concerns • Needs application date • Sec. 6 of bill inconsistency • Clarification of year credit may first be claimed (placed in service) • Other technical changes for credit to be administrable. <p>NG recommendations</p> <ol style="list-style-type: none"> 1. Technicalities need to be addressed 2. Meet with MRS RE: technicalities 3. Address OPEGA report recommendations 	tabled			