

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill in section 1 by striking out all of subsection 1 (page 1, lines 4 to 6 in L.D.) and inserting the following:

‘1. Fund to receive income tax revenues from job creation. Subject to the provisions of subsection 2 ~~and section 13080-S~~, the fund must receive annually from the State ~~50% the amount of~~ the employment tax increment determined in accordance with section 13080-S.’

Amend the bill in section 2 in subsection 2 in the 3rd line (page 1, line 25 in L.D.) by inserting after the following: "information" the following: 'and shall determine the amount of the employment tax increment'

Amend the bill in section 3 by striking out all of subsection 3 (page 1, lines 29 to 36 in L.D.) and inserting the following:

‘3. Deposit and payment of revenue. On or before July 15th of each year, ~~if the approval of the assessor has been issued pursuant to subsection 2, the Commissioner of Administrative and Financial Services~~ shall deposit an amount equal to 50% of the employment tax increment for the preceding year into a contingent account established, maintained and administered by the ~~Commissioner of Administrative and Financial Services~~State Controller. On or before July 31st of each year, the ~~Commissioner of Administrative and Financial Services~~assessor shall pay that amount to the fund.

Amend the bill by inserting after section 3 the following:

‘Sec. 4. 5 MRSA §13080-S, sub-§4 is enacted to read:

4. Additional deposit and payment of revenue. Beginning in 2016, on or before December 15th of each year, the assessor shall deposit an amount equal to 50% of the employment tax increment for the preceding year into a contingent account established, maintained and administered by the State Controller. On or before December 31st of each year, the assessor shall pay that amount to the fund.

This subsection is repealed October 1, 2021.

Sec. 5. Report. By January 15, 2021, the Loring Development Authority of Maine shall submit a report to the joint standing committee of the Legislature having jurisdiction over taxation matters regarding activities of the authority and the deposit and payment of revenue under the Maine Revised Statutes, Title 5, section 13080-S, subsections 3 and 4. The committee may submit a bill relating to the report to the First Regular Session of the 130th Legislature.

The report must contain the following information for each of the previous 5 years:

1. Identification by category of annual expenditures of the authority and the amounts of revenue of the authority by source;

2. The number of employees employed at locations under the jurisdiction of the authority and the total wages used to calculate the employment tax increment;

3. A summary of the efforts of the authority in recruiting new employers to the base area subject to the jurisdiction of the authority and the results of those efforts; and

4. A projection regarding the future ability of the authority to attract additional investment and the impact of the efforts of the authority on the economic development of the northern region of the State.’

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment changes the schedule by which payment of the employment tax increment to the Loring Job Increment Financing Fund must be made. Instead of paying 100% of the employment tax increment to the fund in December of each year as the bill proposes, this amendment requires that 50% of the employment tax increment be paid to the fund in December of each year and the remaining 50% be paid to the fund in July of the following year. The bill also limits the payment of the increased employment tax increment amounts to 5 years and requires a report from the Loring Development Authority of Maine to the joint standing committee of the Legislature having jurisdiction over taxation matters in 2021. The committee is authorized to submit a bill to the First Regular Session of the 130th Legislature regarding the report.