**An Act To Clarify and Update the Maine Seed Capital Tax Credit Program**

L.D. 1941

Date: (Filing No. S- )

**Taxation**

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE**

**SENATE**

**130th Legislature**

**Second Regular Session**

COMMITTEE AMENDMENT “      ” to S.P. 682, L.D. 1941, “An Act To Clarify and Update the Maine Seed Capital Tax Credit Program”

Amend the bill by striking out the title and substituting the following:

**'Resolve, Establishing the Working Group To Review and Recommend Improvements to the Seed Capital Investment Tax Credit'**

Amend the bill by striking out everything after the title and inserting the following:

'**Sec. 1. Working Group To Review and Recommend Improvements to the Seed Capital Investment Tax Credit established. Resolved:** That the Working Group To Review and Recommend Improvements to the Seed Capital Investment Tax Credit, referred to in this resolve as "the working group," is established.

**Sec. 2. Membership. Resolved:** That the working group consists of 9 members appointed as follows:

1. Three members of the Senate appointed by the President of the Senate, including 2 members from the party holding the largest number of seats in the Legislature and one member who is not from the party holding the largest number of seats in the Legislature. Of these 3 members, one member must be a member of the Government Oversight Committee, one member must be a member of the Joint Standing Committee on Innovation, Development, Economic Advancement and Business and one member must be a member of the Joint Standing Committee on Taxation; and

2. Six members of the House of Representatives appointed by the Speaker of the House, including 3 members from the party holding the largest number of seats in the Legislature and 3 members who are not from the party holding the largest number of seats in the Legislature. Of these 6 members, 2 members must be members of the Government Oversight Committee, 2 members must be members of the Joint Standing Committee on Innovation, Development, Economic Advancement and Business and 2 members must be members of the Joint Standing Committee on Taxation.

**Sec. 3. Working group chairs. Resolved:** That the first-named Senate member is the Senate chair of the working group and the first-named member of the House is the House chair of the working group.

**Sec. 4. Appointments; convening of working group. Resolved:** That all appointments must be made no later than 30 days following the effective date of this resolve. The appointing authorities shall notify the Executive Director of the Legislative Council once all appointments have been made. When the appointment of all members has been completed, the chairs of the working group shall call and convene the first meeting of the working group. If 30 days or more after the effective date of this resolve a majority of but not all appointments have been made, the chairs may request authority and the Legislative Council may grant authority for the working group to meet and conduct its business.

**Sec. 5. Duties. Resolved:** That the working group shall examine and make recommendations regarding the need for legislation to clarify and update the seed capital investment tax credit. In its work, the working group shall consider:

1. The provisions of the Maine Revised Statutes, Title 10, section 1100-T and Title 36, section 5216-B governing the seed capital investment tax credit;

2. The August 2021 report of the Office of Program Evaluation and Government Accountability titled “Evaluation of the Maine Seed Capital Tax Credit” including the recommendations made in that report; and

3. Input from taxpayers claiming the seed capital investment tax credit and stakeholders engaged in the administration of the credit, including but not limited to the Department of Administrative and Financial Services, Bureau of Revenue Services, the Department of Economic and Community Development, the Finance Authority of Maine and other state agencies.

The working group shall make recommendations, including any appropriate changes to the Maine Revised Statutes, for improvements to the seed capital investment tax credit to ensure it meets the purposes and goals of the Legislature and contains provisions necessary for the appropriate evaluation of the credit under the Maine Revised Statutes, Title 3, chapter 37.

**Sec. 6. Staff assistance. Resolved:** That the Legislative Council shall provide necessary staffing services to the working group, except that the Legislative Council staff support is not authorized when the Legislature is in regular or special session. The Department of Administrative and Financial Services, Bureau of Revenue Services, the Department of Economic and Community Development and the Finance Authority of Maine shall provide to the working group any nonconfidential information requested by the working group regarding the seed capital investment tax credit.

**Sec. 7. Report. Resolved:** That, no later than November 2, 2022, the working group shall submit a report that includes its findings and recommendations, including suggested legislation, to the First Regular Session of the 131st Legislature.'

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

**SUMMARY**

This amendment replaces the bill with a resolve establishing the Working Group To Review and Recommend Improvements to the Seed Capital Investment Tax Credit. The working group is directed to make recommendations, including any appropriate changes to the Maine Revised Statutes, for improvements to the seed capital investment tax credit to ensure it meets the purposes and goals of the Legislature and contains provisions necessary for the appropriate evaluation of the credit under the Maine Revised Statutes, Title 3, chapter 37.

**FISCAL NOTE REQUIRED**

**(See attached)**