

Date:

(Filing No. S-)

TAXATION

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STATE OF MAINE

SENATE

132ND LEGISLATURE

FIRST SPECIAL SESSION

COMMITTEE AMENDMENT “ ” to S.P. 727, L.D. 1857, “An Act to Expand Property Tax Relief for Veterans and Their Survivors and to Modify Certain Corporate Tax Expenditures”

Amend the bill by striking out all of part B and inserting the following:

PART B

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 B-1. 36 MRSA §5219-QQ, sub-§3, ¶A, as repealed and replaced by PL 2019, c. 401, Pt.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

A. Subject to the limitations under paragraph B, beginning with the tax year during which the certificate of completion is issued or the tax year beginning in 2020, whichever is later, ~~and for each of the following 19 tax years until the tax year beginning January 1, 2026~~, a certified applicant is allowed a credit against the tax due under this Part for the taxable year in an amount equal to 2% of the amount of actual qualified investment specified on the certified applicant's certificate of completion under subsection 2, paragraph F or the amount of qualified investment approved by the commissioner in the certificate of approval under subsection 2, paragraph B, whichever is less. The credit allowed under this paragraph is refundable.

Sec. B-2. 36 MRSA §5219-QQ, sub-§3, ¶B, as amended by PL 2023, c. 157, §2, is further amended by amending subparagraph (1), division (a) to read:

(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 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.

Sec. B-3. 36 MRSA §5219-QQ, sub-§3, ¶B, as amended by PL 2023, c. 157, §2, is further amended by repealing subparagraph (1), division (b).

1 **Sec. B-4. 36 MRSA §5219-QQ, sub-§3, ¶B**, as amended by PL 2023, c. 157, §2,
2 is further amended by enacting a new subparagraph (3) to read:

3 (3) A credit under this section is not allowed after the tax year beginning in 2025.

4 **Sec. B-5. 36 MRSA §5219-BBB, sub-§3**, as enacted by PL 2023, c. 667, §3, is
5 amended to read:

6 **3. Refundable tax credit allowed for 2025 only.** ~~Beginning with the tax year during~~
7 ~~which~~ For the tax year beginning in 2025, if a certificate of completion is issued under
8 subsection 2, paragraph C ~~but not before a tax year beginning in 2025, and for each of the~~
9 ~~following 14 tax years~~, a certified applicant is allowed a credit against the tax otherwise
10 due under this Part for the taxable year in an amount equal to 1.33% of the certified
11 applicant's qualified investment. A credit under this section for a certified applicant may
12 not exceed \$133,000 ~~per year and \$1,995,000 in cumulative total~~. The credit allowed under
13 this section is refundable. A credit under this section is not allowed after the tax year
14 beginning in 2025.

15 **Sec. B-6. 36 MRSA §5219-BBB, sub-§4, ¶A**, as enacted by PL 2023, c. 667, §3,
16 is amended to read:

17 A. On or before ~~March 1st of each year, beginning in 2025~~ March 1, 2026, a certified
18 applicant shall file a report with the commissioner for the tax year ending during ~~the~~
19 ~~immediately preceding calendar year 2025~~, referred to in this subsection as "the report
20 year," containing the following information:

21 (1) The incremental amount of qualified investment made by the certified
22 applicant in the report year;

23 (2) The number of full-time employees based in this State of the certified applicant
24 on the last day of the report year;

25 (3) The total number of any additional full-time employees in the State added by
26 the certified applicant since the date a certificate of approval was issued pursuant
27 to subsection 2, paragraph B ~~and since the last annual report~~;

28 (4) The average and median wages of all full-time employees of the certified
29 applicant; and

30 (5) The percentage and number of full-time employees of the certified applicant
31 who have access to retirement benefits and health benefits.

32 The commissioner may prescribe forms for the ~~annual~~ report described in this
33 paragraph. The commissioner shall provide copies of the report to the assessor and to
34 the joint standing committee of the Legislature having jurisdiction over taxation
35 matters at the time the report is received.'

36 Amend the bill by inserting after part B the following:

37 **'PART C**

38 **Sec. C-1. Appropriations and allocations.** The following appropriations and
39 allocations are made.

40 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**
41 **Revenue Services, Bureau of 0002**

Initiative: Provides one-time funding for computer programming costs.

GENERAL FUND	2025-26	2026-27
All Other	\$32,150	\$0
GENERAL FUND TOTAL	\$32,150	\$0

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

SUMMARY

This amendment removes from the bill: the reduction in overall value of the credits in the seed capital tax credit program; the repeal of the sales tax refund on purchases of parts and supplies for windjammers; and the elimination of the discounted rate on cigarette stamps for licensed distributors. The amendment also clarifies that the tax credit for major business headquarters expansion and investment in qualified professional baseball facilities is not available for tax years beginning after December 31, 2025.

FISCAL NOTE REQUIRED

(See attached)