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Date: (Filing No. S- )

**TAXATION**

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**STATE OF MAINE  
SENATE  
131ST LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 975, L.D. 2258, “An Act to Create an Income Tax Credit for Investments in a Team's Qualified Minor League Baseball Facility to Keep the Team in the State”

Amend the bill by striking out all of sections 1 and 2 and inserting the following:

**'Sec. 1. 36 MRSA §191, sub-§2, ¶UUU** is enacted to read:

UUU. The disclosure to the joint standing committee of the Legislature having jurisdiction over taxation matters pursuant to section 5219-BBB, subsection 4, paragraph C of the revenue loss, including the loss due to refundable credits, attributable to each taxpayer claiming the tax credit for investment in qualified professional baseball facilities in the State provided under section 5219-BBB.'

Amend the bill in section 3 in §5219-BBB in subsection 1 by striking out all of paragraph E (page 2, lines 1 to 6 in L.D.) and inserting the following:

'E. "Qualified investment" means an expenditure made directly by a qualified applicant between October 1, 2023 and November 30, 2026 of at least \$1,000,000 to design, permit, construct, modify, equip or expand a qualified professional baseball facility. The expenditures of a qualified applicant and other entities, whether or not incorporated, that are part of a single business enterprise must be aggregated to determine whether a qualified investment has been made.'

Amend the bill in section 3 in §5219-BBB in subsection 2 in paragraph A in the last line (page 2, line 18 in L.D.) by inserting after the following: "or" the following: 'the minimum wage required by the municipality, whichever is'

Amend the bill in section 3 in §5219-BBB in subsection 2 in paragraph C in the last line (page 2, line 30 in L.D.) by inserting after the following: "applicant." the following: 'A certified applicant and other entities, whether or not incorporated, that are part of a single business enterprise may receive only one certificate of completion pursuant to this subsection.'

**COMMITTEE AMENDMENT**

1 Amend the bill in section 3 in §5219-BBB by striking out all of subsection 3 (page 3,  
2 lines 8 to 12 in L.D.) and inserting the following:

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

10 Amend the bill in section 3 in §5219-BBB in subsection 4 in paragraph C in the 4th  
11 line (page 3, line 42 in L.D.) by striking out the following: "certified applicant" and  
12 inserting the following: 'taxpayer'

13 Amend the bill in section 3 in §5219-BBB by striking out all of subsection 5 (page 4,  
14 lines 6 to 14 in L.D.) and inserting the following:

15 **'5. Recapture.** If the qualified investment forming the basis of the credit is not used  
16 as a qualified professional baseball facility by the certified applicant or a transferee  
17 approved pursuant to subsection 2, paragraph D, the following provisions apply.

18 A. During the first 60 months following the receipt of the certificate of completion, if  
19 the certified applicant or transferee fails to use the qualified investment forming the  
20 basis of the credit as a qualified professional baseball facility for the entire 60-month  
21 period, the credit allowed under this section must be fully recaptured to the extent  
22 claimed by the taxpayer. The credit must be recaptured by adding to the tax imposed  
23 on the certified applicant or transferee for the taxable year in which the qualified  
24 investment is no longer used as a qualified professional baseball facility by the certified  
25 applicant or transferee an amount equal to the total amount of credit authorized minus  
26 the amount of credit not yet taken.

27 B. If the qualified investment forming the basis of the credit is not used as a qualified  
28 professional baseball facility by the certified applicant or a transferee following the  
29 first 60 months following the receipt of the certificate of completion, the certified  
30 applicant or transferee is not eligible for the credit for that tax year and the certified  
31 applicant or transferee is not eligible for the credit for any tax year thereafter that the  
32 certified applicant or transferee fails to use the qualified investment as a qualified  
33 professional baseball facility.'

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

## 36 SUMMARY

37 This amendment changes the maximum amount of the investment credit in the bill from  
38 \$100,000 per year and \$1,000,000 in total to \$133,000 per year and \$1,995,000 in total;  
39 limits the number of years over which the credit may be claimed to 15 years; and changes  
40 the calculation of the credit from 10% to 1.33% per year of the qualified investment. The  
41 amendment requires that during the first 60 months following the investment, if the  
42 taxpayer fails to continue operations as a professional baseball facility, the applicant  
43 forfeits the entire credit taken. After the first 60 months, if the taxpayer fails to continue

1 operations as a professional baseball facility during any year, the applicant is ineligible for  
2 any future credit until the taxpayer continues operations as a professional baseball facility.  
3 The amendment adds a provision authorizing the disclosure to the joint standing committee  
4 of the Legislature having jurisdiction over taxation matters of certain information relating  
5 to taxpayers claiming the credit and removes provisions in the bill providing income tax  
6 modifications for certain taxpayers receiving the investment credit. The amendment also  
7 clarifies provisions relating to administration of the investment credit.

8 **FISCAL NOTE REQUIRED**

9 **(See attached)**