

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
127TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 337, L.D. 498, Bill, "An Act To Restore the Super Credit for Substantially Increased Research and Development"

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

'Sec. 1. 36 MRSA §5219-L, sub-§1, as amended by PL 2013, c. 502, Pt. J, §1 and affected by §3, is further amended to read:

**1. Super credit allowed for substantial expansions of research and development.**  
~~For tax years beginning before January 1, 2014, a~~ A taxpayer that qualifies for the research expense tax credit allowed under section 5219-K is allowed an additional credit against the tax due under this Part equal to the excess, if any, of qualified research expenses for the taxable year over the super credit base amount. For purposes of this section, "super credit base amount" means the average amount spent on qualified research expenses by the taxpayer in either the 3 taxable years immediately preceding the effective date of this section, increased by 50%, or, if the taxpayer has not claimed a credit under this section for the 3 consecutive taxable years immediately preceding January 1, 2014, the 3 taxable years immediately preceding January 1, 2014, increased by 50%. For purposes of this section, "qualified research expenses" has the same meaning as under the Code, Section 41 but applies only to expenditures for research conducted in this State.'

SUMMARY

This amendment amends the definition of "super credit base amount" to provide that the base amount is reset if the taxpayer did not claim the super credit for 3 consecutive taxable years immediately prior to January 1, 2014.

FISCAL NOTE REQUIRED

(See attached)



# 127th MAINE LEGISLATURE

LD 498

LR 1429(02)

## An Act To Restore the Super Credit for Substantially Increased Research and Development

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-96)

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
<b>Net Cost (Savings)</b>				
General Fund	\$4,035,315	\$2,814,660	\$3,027,745	\$3,130,250
<b>Revenue</b>				
General Fund	(\$4,035,315)	(\$2,814,660)	(\$3,027,745)	(\$3,130,250)
Other Special Revenue Funds	(\$212,385)	(\$148,140)	(\$159,355)	(\$164,750)

#### Fiscal Detail and Notes

PL 2013 c. 502 suspended the availability of the super credit for tax years after January 1, 2014. This bill restores that availability retroactive to January 1, 2014 and changes the definition of the super credit base amount. General Fund revenue would be reduced by \$4,035,315 in fiscal year 2015-16 and \$2,814,660 in fiscal year 2016-17 and Local Government Fund revenues would be reduced by \$212,385 in fiscal year 2015-16 and \$148,140 in fiscal year 2016-17.