

MAINE STATE LEGISLATURE

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ROS

L.D. 819

Date: 6/17/25

(Filing No. H-770)

MAJORITY
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STATE OF MAINE
HOUSE OF REPRESENTATIVES
132ND LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 526, L.D. 819, "An Act Concerning the Status of Battery Storage Systems with Regard to the Business Equipment Tax Exemption"

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

'An Act to Clarify the Status of Energy Storage Systems with Regard to the Business Equipment Tax Exemption and the Business Equipment Tax Reimbursement Program'

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

'Sec. 1. 36 MRSA §691, sub-§1, ¶F, as amended by PL 2019, c. 659, Pt. B, §2, is further amended by enacting after the first blocked paragraph a new paragraph to read:

"Qualified property" also includes a battery storage system, as long as more than 50% of the electrical output from the battery storage system serves load behind the utility meter where the battery storage system is located or there was a fully executed interconnection agreement between the battery storage system owner and a transmission and distribution utility by January 1, 2025. As used in this paragraph, "battery storage system" means commercially available technology that uses mechanical, chemical or thermal processes for absorbing energy and storing it for a period of time for use at a later time, including, but not limited to, lithium-ion batteries.

Sec. 2. 36 MRSA §6652, sub-§1-F is enacted to read:

1-F. Energy storage systems. Reimbursement pursuant to this chapter may be made for battery storage systems, as long as more than 50% of the electrical output from the battery storage system serves load behind the utility meter where the battery storage system is located or there was a fully executed interconnection agreement between the battery storage system owner and a transmission and distribution utility by January 1, 2025. As used in this subsection, "battery storage system" has the same meaning as in section 691, subsection 1, paragraph F.

**132nd MAINE LEGISLATURE****LD 819****LR 1020(02)****An Act Concerning the Status of Battery Storage Systems with Regard to the Business Equipment Tax Exemption****Fiscal Note for Bill as Amended by Committee Amendment "A" (H-770)****Committee: Taxation****Fiscal Note Required: Yes**

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$0	\$0	\$0	(\$343,000)
Appropriations/Allocations				
General Fund	\$0	\$0	\$0	(\$343,000)

Fiscal Detail and Notes

This bill excludes energy storage systems from eligibility for the Business Equipment Tax Exemption and the Business Equipment Tax Reimbursement unless the energy storage system is co-located with a customer subscribed to a majority of the output or there was a fully executed interconnection agreement between the battery storage system owner and a transmission and distribution utility by January 1, 2025. The bill includes ongoing General Fund deappropriations of \$343,000 starting in fiscal year 2028-29 to the Bureau of Revenue Services within the Department of Administrative and Financial Services for decreased tax reimbursements paid to municipalities for property tax years beginning on or after April 1, 2025. Deappropriations are delayed until fiscal year 2028-29 because the energy storage systems that would be rendered ineligible for the Business Equipment Tax Exemption are not anticipated to be eligible under current law until 2028.