

MAINE STATE LEGISLATURE

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STATE OF MAINE
132ND LEGISLATURE
FIRST REGULAR AND FIRST SPECIAL SESSIONS



Disposition of bills and summaries of all laws enacted or finally passed

JOINT STANDING COMMITTEE ON TAXATION

August 2025

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STAFF:

GEOFFREY LEWIS, SENIOR LEGISLATIVE ANALYST
OFFICE OF FISCAL AND PROGRAM REVIEW
5 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1635
<http://legislature.maine.gov/ofpr>

JOINT STANDING COMMITTEE ON TAXATION

Part C makes the following changes to the income tax laws.

1. It updates the exclusion from the calculation of payments to the Loring Job Increment Financing Fund to also exclude state income withholding taxes that are based on the gross wages used to calculate the Maine Employment Tax Increment Financing Program benefit.
2. It clarifies that “reviewed year” in the laws governing income taxation of partnerships includes the taxable year of a partnership that files an administrative adjustment request from which federal adjustments arise.
3. It specifies that the original due date for calculating interest and penalties of any partnership income tax as a result of a federal adjustment from a partnership audit or administrative adjustment request is the 15th day of the third month following the end of the taxable year of a partnership that was subject to the partnership-level audit or administrative adjustment request.
4. It corrects a cross-reference in the laws governing employment tax increment financing to reference a qualified Pine Tree Development Zone business.

LD 125 An Act to Increase the Total Amount of Credits Authorized Under the Maine Seed Capital Tax Credit Program

ENACTED LAW SUMMARY

Public Law 2025, chapter 442 provides an increase from \$5,000,000 to \$10,000,000 in the maximum annual amount of tax credit certificates that the Finance Authority of Maine may issue to investors under the Maine Seed Capital Tax Credit Program for investments made in calendar years beginning with 2027.

LD 146 An Act to Increase the Maximum Amount of the Historic Property Rehabilitation Tax Credit That May be Taken in a Year

ENACTED LAW SUMMARY

Public Law 2025, chapter 444 changes the maximum tax credit allowed for certified historic structure rehabilitation projects for the first two years in which a credit may be claimed. For tax years beginning on or after January 1, 2025, it changes the maximum limit from \$5,000,000 in each of the first two years to \$10,000,000 total across the first two years combined. The law makes no changes to the \$5,000,000 maximum tax credit allowed in subsequent years.