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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development" to provide that such a development does not need to be located within a designated transit-oriented development district, area, corridor or transit-served node.

LD 1217 An Act Regarding the New Markets Tax Credit and the Maine New Markets Capital Investment Program

ENACTED LAW SUMMARY

Public Law 2025, chapter 497 changes the Maine New Markets Capital Investment Program and the new markets capital investment income tax credit to establish a new tax credit authority allocated by the Finance Authority of Maine on or after January 1, 2026. The law establishes an application process for community development entities recognized as Maine funds and diverse Maine funds.

The effect of this change on the Maine New Markets Capital Investment Program is to shorten the period, from 24 months to 12 months after receipt of the notice of allocation of the tax credit authority, by which a community development entity must issue the equity investments or debt securities and receive cash in the total amount of tax credits authorized. The limit on the amount of tax credits authorized is unchanged.

The effect of this change on the new markets capital investment tax credit is to shorten the time, from 24 months to 12 months after issuance of the qualified equity investment, by which a community development entity must invest at least 85% of the purchase price of the qualified equity investment in qualified low-income community investments before recapture of the credit is allowed.

LD 1275 An Act to Promote the Production of Natural Resources Bioproducts by Amending the Renewable Chemicals Tax Credit

ENACTED LAW SUMMARY

Public Law 2025, chapter 477 removes the requirement for taxpayers to demonstrate to the Department of Economic and Community Development that at least 75% of the employees of contractors hired or retained to harvest renewable biomass for renewable chemical production meet the eligibility conditions specified in the Employment Security Law. The law applies to tax years beginning on or after January 1, 2026.

LD 1325 An Act to Create Clarity in the Laws Regarding Property Tax Abatement Appeals

ENACTED LAW SUMMARY

Public Law 2025, chapter 342 establishes that applicants for property tax abatements cannot appeal a decision of the assessors or municipal officers regarding nonresidential property or properties with an equalized municipal valuation of $1,000,000 or more, either individually or in total, to the county commissioners. The appeal must be made to the State Board of Property Tax Review. The law applies to applications filed on or after January 1, 2026.

LD 1355 Resolve, to Require the Governor's Energy Office to Study Taxation of Renewable Energy Infrastructure

ENACTED LAW SUMMARY

Resolve 2025, chapter 116 requires the Governor’s Energy Office to examine and evaluate the current system of taxation of renewable energy infrastructure and possible adoption of a uniform capacity tax for renewable energy infrastructure. The office is required to consult with representatives from the renewable energy industry and other experts and municipal and county officials, and to solicit public comments on the study. The office must submit a report to the Joint Standing Committee on Taxation by November 4, 2026. The committee may report out legislation related to the report to the 133rd Legislature in 2027. The law also allows the office to receive funds, grants or contributions from public or private sources to carry out the study and requires the office to disclose any funds it receives in its report to the Legislature. The office is not required to undertake work for which it has insufficient funding.

LD 1493 An Act to Limit Corporate Use of the Visual Media Production Credit

ENACTED LAW SUMMARY

Public Law 2025, chapter 421 restricts the allowable uses of the visual media production reimbursement and credit by precluding the use of the reimbursement and credit for the production of advertisements or for productions created primarily for industrial, corporate, institutional or internal purposes.

LD 1584 An Act to Establish Municipal Cost Components for Unorganized Territory Services to Be Rendered in Fiscal Year 2025-26

ENACTED LAW SUMMARY

Public Law 2025, chapter 242 establishes municipal cost components for state and county services provided to the unorganized territory that would typically be paid by a municipality. These municipal cost components constitute the property tax for the unorganized territory.

Public Law 2025, chapter 242 was enacted as an emergency measure effective June 10, 2025.