

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
107TH LEGISLATURE

(Filing No. H-64C)

HOUSE AMENDMENT "B " to H.P. 935, L.D. 1177, Bill, "AN ACT to Provide Income Tax Credits for Eligible Businesses."

Amend said Bill by striking out everything after the enacting clause and inserting in place thereof the following:

'36 MRSA §5202 is enacted to read:

§5202. Exclusion from Maine net income

A corporation shall be entitled to exclude from its Maine net income the following percentages of the portion of said Maine net income allocable to the production of a product which has not been produced on a commercial scale in this State within the preceding 2-year period: One hundred percent during the first 12 months of operation, 50% during the 2nd 12 months of operation and 15% during each of the 3rd, 4th and 5th 12-month periods of operation; provided, however, that the exclusion hereinabove granted shall in no event exceed \$50,000 for the first 12-month period, \$25,000 for the 2nd 12-month period and \$15,000 for each of the 3rd, 4th and 5th 12-month periods of operation.

The Tax Assessor shall, in accordance with the Administrative Code, adopt such reasonable regulations as may be necessary to carry out this section, including without limitation provision for application and certification of qualification by the Bureau of Taxation for this exclusion prior to the end of the first tax year to which it would be applicable. The applicant shall have the

burden of establishing qualification,'

Fiscal Note

This bill results in no revenue loss because the exclusion is given only for the production of new products.

Statement of Fact

This amendment would encourage both the location of new business in the State and the expansion of existing business into new product lines.

Filed by Mr. Finemore of Bridgewater

Reproduced and distributed under the direction of the Clerk of the House.
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