

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
108TH LEGISLATURE  
FIRST REGULAR SESSION

(Filing No. H-633)

HOUSE AMENDMENT "A" to H.P. 1011, L.D. 1250, Bill,  
"AN ACT Creating the Maine Capital Corporation."

Amend the Bill in section 1, in that part designated  
"§952" by inserting at the end of subsection 2 the following:

'The Maine Capital Corporation shall not invest in any firm in  
which a person, or his or her spouse or dependent children,  
owning common stock of the Maine Capital Corporation holds over  
a 25% interest;'

Further amend the Bill in section 1 in that part designated  
"§952" by striking out all of subsection 6 and inserting in its  
place the following:

'6. Payment of dividends. It shall not declare or pay  
any dividends to its shareholders during its first 5 years of  
operation and thereafter any dividends shall be paid only on  
common stock whose holders are not using the credit for  
investment in the Maine Capital Corporation allowed under  
Title 36, sections 5129, 5167 or 5202. Dividends paid shall be  
limited to a maximum of 50% of retained earnings, with the  
balance being reinvested according to subsections 1 and 2; and'

Further amend the bill in section 2 in that part designated "§5129" in subsection 2 by inserting after paragraph B the following:

'C. The credit allowed under this section shall be available only to subscribers in the common stock of the Maine Capital Corporation.'

Further amend the bill in section 3 in that part designated "§5167" by inserting at the end of subsection 2 the following:

'C. The credit allowed under this section shall be available only to subscribers in the common stock of the Maine Capital Corporation.'

Further amend the bill in section 4 in that part designated "§5202" by inserting at the end of subsection 2 the following:

'C. The credit allowed under this section shall be available only to subscribers in the common stock of the Maine Capital Corporation.'

Statement of Fact

This amendment places additional safeguards on the operation of the Maine Capital Corporation. They restrict the Maine Capital Corporation's investments in firms in which investors in the corporation hold a financial interest, prevent the payment of dividends to any stockholder receiving tax credits and restrict the tax credit for investment in the Maine Capital

Corporation  
/ to initial purchasers of the common stock.

Filed by Mr. Curran of South Portland.

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the House.

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