

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1457

S. P. 416

In Senate, April 7, 1977

Referred to Committee on Taxation. Sent down for concurrence and ordered printed.

MAY M. ROSS, Secretary

Presented by Senator Levine of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

**AN ACT to Establish a Property Tax Exemption for New
and Expanding Businesses.**

Be it enacted by the People of the State of Maine, as follows:

36 MRSA § 660 is enacted to read:

§ 660. Business real estate

The following real estate is exempt from taxation.

1. Employing 25 to 150 new employees. All real estate constructed, purchased or otherwise acquired within the tax year prior to the one in which an exemption is first claimed of any new or established business in Maine which, during the tax year for which the tax is assessed employs 25 to 150 employees over the number of employees employed by that business during the entire previous tax year. Any real estate, qualifying for exemption under this section, shall be exempt from taxation for 2 consecutive tax years.

2. Employing 151 to 500 new employees. All real estate constructed, purchased or otherwise acquired within the tax year prior to the one in which an exemption is first claimed of any new or established business in the State which, during the tax year for which tax is assessed employs 151 to 500 employees over the number employed by that business during the entire previous tax year. Any real estate, qualifying for exemption under this section, shall be exempt from taxation for 4 consecutive tax years.

3. Employing 501 or more new employees. All real estate constructed, purchased or otherwise acquired within the tax year prior to the one in which an exemption is first claimed of any new or established business in the State

which, during the tax year for which tax is assessed employs 501 or more employees over the number employed by that business during the entire previous tax year. Any real estate, qualifying for exemption under this section, shall be exempt from taxation for 6 consecutive tax years.

STATEMENT OF FACT

This bill would grant property tax exemptions on new property to businesses increasing their number of employees. New or established businesses employing 25 to 150 additional employees would receive a 2-year exemption; those employing 151 to 500 additional employees would receive a 4-year exemption and those employing 501 or more additional employees would receive a 6-year exemption. These exemptions would encourage the establishment and development of businesses in Maine and would thus, eventually increase the tax base within the State.