

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 485

H. P. 438

House of Representatives, January 28, 1981

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

EDWIN H. PERT, Clerk

Presented by Representative McHenry of Madawaska.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Provide an Income Tax Credit for Oil and Gas Furnace Automatic Vent Dampers.

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

Sec. 1. 36 MRSA § 5127, sub-§ 4 is enacted to read:

4. **Income tax credit for installation of approved oil or gas furnace automatic vent dampers.** A taxpayer who purchases and installs an approved oil or gas furnace automatic vent damper on an oil or gas furnace, respectively, in this State shall be allowed a credit against the tax otherwise due under this Part equal to 20% of the purchase price of the damper, including sales tax, or \$100, whichever is less. The credit is allowable against taxes due only for the year in which installation is completed and only for the initial purchase of new equipment. No more than one taxpayer may claim the credit for any installation. In no case may this credit be claimed more than once by any taxpayer and in no case may this credit reduce the state income tax to less than zero. Credit may not be claimed when the damper qualifies for other state income tax benefits.

A. As used in this subsection, unless the context otherwise indicates, the following terms have the following meanings.

(1) "Approved" means where appropriate, acceptable to the Oil and Solid Fuel Board as provided in Title 32, chapter 33. Devices listed for a specific purpose by Underwriters Laboratories, Inc., by the American Gas

Association or by other nationally recognized testing agencies shall be considered as meeting the definition of this subparagraph, in the absence of any determination by a board or agency of this State to the contrary.

(2) "Furnace automatic vent damper" means a damper that, when installed in the pipe connecting the furnace to the chimney, conserves energy by substantially stopping the flow of air to the chimney when the furnace is not in operation.

Sec. 2. Retroactivity. This Act is retroactive to January 1, 1981.

STATEMENT OF FACT

This bill creates an income tax credit of 20% for the purchase and installation of oil or gas furnace automatic vent dampers. The amount of credit is limited to \$100. This credit is exclusive of any credit granted by Title 36, section 5127, subsection 3, for the installation of renewable energy systems.

The Federal Government presently allows a tax credit for these devices. See IRS publication 903.