

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 665*

6
7 H.P. 464

House of Representatives, February 21, 1985

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

10 EDWIN H. PERT, Clerk

Presented by Representative Foss of Yarmouth.

Cosponsored by Representative Webster of Cape Elizabeth.

11
12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-FIVE
16

17 AN ACT to Allow a Tax Credit Equal to 30% of
18 the Net Cost of Operating a Child Care
19 Facility to be Used Primarily by the
20 Children of the Taxpayer's Employees.
21

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

24 36 MRSA §5217 is enacted to read:

25 §5217. Credit for day care facilities for children
26 of employees

27 1. Credit. A taxpayer is entitled to a credit
28 against the tax otherwise due under this Part equal
29 to 30% of total expenditures paid or incurred by the
30 taxpayer for planning, site preparation, construc-
31 tion, renovation, acquisition or operation of facili-
32 ties for purposes of establishing or operating a
33 child day care facility to be used primarily by the
34 children of the taxpayer's employees and equipment
35 installed for permanent use within or immediately ad-

1 jaacent to the facility, including kitchen appliances,
2 to the extent that the equipment or appliances are
3 necessary in the use of the facility for purposes of
4 child day care, provided that:

5 A. The facility is a licensed day care facility
6 as defined in Title 22, section 8301; and

7 B. The facility is operated without profit by
8 the taxpayer related to any changes imposed for
9 the use of the facility for purposes of child day
10 care.

11 2. Limitation. The amount of the tax credit al-
12 lowed any taxpayer under this section for any one
13 taxable year shall not exceed \$20,000.

14 3. More than one taxpayer. If 2 or more taxpay-
15 ers share the cost of establishing a facility for the
16 children of their employees, each taxpayer shall be
17 allowed credit in relation to the respective share
18 paid or incurred by the taxpayer, of the total ex-
19 penditures for the facility.

20 4. Carry-forward. If the amount of the tax cred-
21 it allowed any taxpayer under this section exceeds
22 the amount of tax otherwise due under this Part, any
23 balance of the credit remaining may be claimed
24 against the tax imposed for any of the 3 income years
25 next succeeding, provided that any balance of credit
26 may not be claimed for any succeeding income tax year
27 in which the child day care facility is operated for
28 less than 6 months.

29 STATEMENT OF FACT

30 This bill allows a tax credit equal to 30% of the
31 net cost of establishing or operating a child care
32 facility to be used by the children of the taxpayer's
33 employees.

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