

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 1202

S.P. 434

In Senate, April 4, 1995

An Act to Guarantee That Tax Increment Financing Results in Net Gains.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "May M. Ross".

MAY M. ROSS
Secretary of the Senate

Presented by Senator LONGLEY of Waldo.

Cosponsored by Senators: GOLDTHWAIT of Hancock, LORD of York, McCORMICK of Kennebec, PARADIS of Aroostook, RAND of Cumberland, Representatives: CHICK of Lebanon, DAGGETT of Augusta, DAVIDSON of Brunswick, MARTIN of Eagle Lake.

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

4 **Sec. 1. 30-A MRSA §5252, sub-§6-B** is enacted to read:

6 **6-B. Net gains.** "Net gains" means net profits, as opposed
8 to net losses, as figured every year except the first 3 years
10 that tax increment financing benefits a business.

12 **Sec. 2. 30-A MRSA §5252, sub-§8-B,** as enacted by PL 1993, c.
14 429, §1, is amended to read:

16 **8-B. State tax increment.** "State tax increment" means the
18 net annual gain, ~~if any,~~ in sales tax paid as a result of taxable
20 events occurring within the state tax increment financing
22 district and the net annual gain, ~~if any,~~ in state income taxes
withheld as a result of wages paid for labor performed within the
district.

STATEMENT OF FACT

This bill defines "net gains" for purposes of the laws governing state tax increment financing districts.