

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 1334

S.P. 413

In Senate, March 4, 1997

**An Act to Create Incentives for Businesses to Move to Aroostook,
Piscataquis and Washington Counties.**

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator HARRIMAN of Cumberland.
Cosponsored by Representative JOY of Crystal and
Senators: CASSIDY of Washington, HALL of Piscataquis, KIEFFER of Aroostook,
Representatives: BELANGER of Wallagrass, DONNELLY of Presque Isle, KNEELAND of
Easton.

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

4 Sec. 1. 36 MRSA §5219-L is enacted to read:

6 §5219-L. Credit for business moving to qualifying county

8 1. Qualifications. A taxpayer constituting an employing
entity that creates a new business in or moves operations to a
qualifying county is eligible for a credit under this section if
10 the principal place of business is in the qualifying county, the
employing entity hires qualified employees, and the business is
12 created in or the operations are moved to the qualifying county
between July 1, 1997 and January 1, 1999. For purposes of this
14 section, "qualifying county" means Aroostook County, Piscataquis
County or Washington County. For purposes of this section,
16 "qualified employee" has the same meaning as in Title 36, section
6753.

18 2. Amount of credit. The credit is equal to the amount of
20 tax otherwise due under this Part that is attributable to
operations in the qualifying county.

22 3. Duration of the credit. The credit applies to tax years
24 beginning 5 years or more after the employing entity creates the
new business in, or moves operations to, a qualifying county.

26 4. Ineligibility. The taxpayer is not eligible for a credit
28 in any year in which the operations are moved out of the
qualifying county or in any subsequent year.

30
32 **SUMMARY**

34 This bill grants an income tax credit for businesses with
employees that create a new business in or move operations to
36 Aroostook County, Piscataquis County or Washington County by
January 1, 1999. The credit is equal to the amount of income tax
38 that would otherwise be due on the portion of the business
moved. The credit applies to tax years beginning 5 years after
40 the business creates or moves the business but ceases if the
business moves out of the qualifying county.

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