

# MAINE STATE LEGISLATURE

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L.D. 1950

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STATE OF MAINE  
SENATE  
118TH LEGISLATURE  
SECOND REGULAR SESSION

SENATE AMENDMENT "U" to COMMITTEE AMENDMENT "A" to H.P. 1397, L.D. 1950, Bill, "An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government and Changes to Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 1998 and June 30, 1999"

Amend the amendment by inserting after Part DDD the following:

PART EEE

Sec. EEE-1. 36 MRSA §6652, sub-§1, as amended by PL 1997, c. 24, Pt. C, §14, is further amended to read:

~~1. Generally. Subject to the provisions of subsections 1-A and 1-B and of sections 6653 and 6654, a~~ A person against whom taxes have been assessed pursuant to Part 2, except for chapters 111 and 112, with respect to eligible property and who has paid those taxes is entitled to reimbursement of those taxes from the State as provided in this chapter.

Sec. EEE-2. 36 MRSA §6652, sub-§1-C is enacted to read:

1-C. Certain energy facilities. Reimbursement for certain energy facilities under this chapter is limited as follows.

A. Reimbursement may not be made for a natural gas pipeline, including pumping or compression stations, storage depots and appurtenant facilities used in the transportation, delivery or sale of natural gas, but not including a pipeline that is less than a mile in length and is owned by a consumer of natural gas delivered through the pipeline.

R. O. S.

2 B. Except as provided in paragraph C, reimbursement may not  
4 be made for property used to produce or transmit energy  
6 primarily for sale. Energy is primarily for sale if 2/3 or  
8 more of the useful energy is sold and transmitted through  
10 the facilities of a transmission and distribution utility as  
12 defined in Title 35-A, section 3201, subsection 19.

14 C. A cogeneration facility is eligible for reimbursement on  
16 that portion of property taxes paid multiplied by a  
18 fraction, the numerator of which is the total amount of  
20 useful energy produced by the facility that is directly used  
22 by a manufacturing facility without transmission over the  
24 facilities of a transmission and distribution utility as  
26 defined in Title 35-A, section 3201, subsection 19 and the  
28 denominator of which is the total amount of useful energy  
30 produced.

32 D. For purposes of this subsection, unless the context  
34 indicates otherwise, the following terms have the following  
36 meanings.

38 (1) "Cogeneration facility" means a facility that  
40 produces electrical and thermal energy for commercial  
42 or industrial use when less than 2/3 of the useful  
44 energy produced by the facility during the property tax  
46 year is sold and transmitted through the facilities of  
48 a transmission and distribution utility, as defined in  
50 Title 35-A, section 3201, subsection 19. "Cogeneration  
52 facility" includes a heat recovery steam generator.

54 (2) "Useful energy" does not include waste heat,  
56 efficiency losses, line losses or other energy  
58 dissipation.'

60 Further amend the amendment by relettering or renumbering  
62 any nonconsecutive Part letter or section number to read  
64 consecutively.

#### FISCAL NOTE

66 This amendment will have no net effect on General Fund  
68 appropriations and revenue and a balanced budget is maintained  
70 for fiscal year 1997-98 and fiscal year 1998-99. It will avoid  
72 some unbudgeted costs in the Personal Property Tax Reform or  
74 "BETR" program.

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SENATE AMENDMENT "U" to COMMITTEE AMENDMENT "A" to H.P. 1397,  
L.D. 1950

### SUMMARY

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This amendment provides that natural gas pipelines and certain property used in the production or generation of electricity is not eligible for reimbursement for taxes paid on certain business property.

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SPONSORED BY: Sen. Peter Mills  
(Senator MILLS)

JEB

COUNTY: Somerset