



## **118th MAINE LEGISLATURE**

## **SECOND REGULAR SESSION-1998**

Legislative Document

No. 2070

S.P. 769

In Senate, January 20, 1998

An Act to Allow a Tax Refund for Used Business Equipment Purchased and Used in Maine.

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Reference to the Committee on Taxation suggested and ordered printed.

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JOY J. O'BRIEN Secretary of the Senate

Presented by Senator PARADIS of Aroostook. Cosponsored by Senator KIEFFER of Aroostook, Representative: AHEARNE of Madawaska.

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

Sec. 1. 36 MRSA §6651, sub-§1, as amended by PL 1997, c. 557, Pt. B, \$11 and affected by Pt. G, \$1, is further amended to read:

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6 1. Eligible property. "Eligible property" means qualified business property first placed in service in the State, or constituting construction in progress commenced in the State, 8 after April 1, 1995. "Eligible property" also means qualified 10 business property previously placed in service in the State if it is sold to and put in service in the State by a new owner after 12 <u>April 1, 1998.</u> "Eligible property" includes, without limitation, repair parts, replacement parts, additions, accessions and accessories to other qualified business property placed in 14 service on or before April 1, 1995 if the part, addition, accession or accessory is first placed in service, or constitutes 16 construction in progress, in the State after April 1, 1995, or if previously placed in service in the State, sold to and put in 18 service by a new owner after April 1, 1998. "Eligible property" 20 also includes inventory parts. "Eligible property" is subject to reimbursement pursuant to this chapter for up to 12 years, but 22 the 12 years must be reduced by one year for each year during which a taxpayer included the same property in its investment 24 credit base under section 5219-E or 5219-M and claimed the credit provided in either section on its income tax return.

## **SUMMARY**

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This bill allows qualified business property previously used in Maine to become eligible for reimbursement under the business equipment tax reimbursement, or "BETR," program.