

# MAINE STATE LEGISLATURE

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# 119th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1999

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Legislative Document

No. 120

S.P. 50

In Senate, January 11, 1999

**An Act to Include Investment in Agricultural Building Improvements in  
the Business Property Tax Reimbursement Program.**

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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 LONGLEY of Waldo.  
Cosponsored by Representative COWGER of Hallowell and  
Senators: LIBBY of York, MILLS of Somerset, NUTTING of Androscoggin, RUHLIN of  
Penobscot, Representatives: CHICK of Lebanon, PIEH of Bremen, TOBIN of Dexter.

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

4 **Sec. 1. 36 MRSA §6651, sub-§3**, as enacted by PL 1995, c. 368,  
Pt. FFF, §2, is amended to read:

6 **3. Qualified business property.** "Qualified business  
property" means tangible personal property that:

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10 A. Is used or held for use exclusively for a business  
purpose by the person in possession of it or, in the case of  
11 construction in progress or inventory parts, is intended to  
12 be used exclusively for a business purpose by the person who  
will possess that property; and

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15 B. Either:

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17 (1) Was subject to an allowance for depreciation under  
the Code on April 1st of the property tax year to which  
18 the claim for reimbursement relates or would have been  
subject to an allowance for depreciation under the Code  
19 as of that date but for the fact that the property has  
20 been fully depreciated; or  
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24 (2) In the case of construction in progress or  
inventory parts, would be subject under the Code to an  
25 allowance for depreciation when placed in service or  
would have been subject to an allowance for  
26 depreciation under the Code as of that date but for the  
27 fact that the property has been fully depreciated.  
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30 "Qualified business property" also includes all property that is  
31 affixed or attached to a building or other real estate if it is  
used to further a particular trade or business activity taking  
32 place in that building or on that real estate. "Qualified  
business property" also includes any investment in building  
33 improvements if it is used to further a particular trade or  
business activity taking place in that building that is related  
34 to agriculture. "Qualified business property" does not include  
35 components or attachments to a building if used primarily to  
36 serve the building as a building, regardless of the particular  
trade or activity taking place in or on the building. "Qualified  
37 business property" also does not include land improvements if  
used primarily to further the use of the land as land, regardless  
38 of the particular trade or business activities taking place in or  
39 on the land. In the case of construction in progress or  
40 inventory parts, the term "used" means intended to be used.  
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## SUMMARY

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This bill extends the benefits of the business equipment tax rebate program for investments in building improvements used for trade or business activity related to agriculture.