

MAINE STATE LEGISLATURE

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MS
R 113

L.D. 161

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TAXATION

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
119TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 130, L.D. 161, Bill, "An Act to Establish a Lead Abatement Revolving Loan Fund and a Tax Credit for Day Care Facilities for Expenditures Required to Comply with the Lead Poisoning Control Act"

Amend the bill by striking out the title and substituting the following:

'An Act to Establish a Tax Credit for Day Care Facilities for Expenditures Required to Comply with the Lead Poisoning Control Act'

Further amend the bill by striking out everything after the title and before the summary and inserting in its place the following:

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

Sec. 1. 36 MRSA §5217-C is enacted to read:

§5217-C. Lead abatement credit

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Eligible facility" means a day care center, as defined in Title 22, section 8301-A, a home day care provider, as defined in Title 22, section 8301-A or a nursery school, as defined in Title 22, section 8401.

2. Credit. A taxpayer that incurs expenditures required for lead abatement pursuant to Title 22, chapter 252 in an

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2 eligible facility is allowed a one-time credit of up to \$1,000
3 against the tax otherwise due under this Part, including the tax
4 imposed by section 5203-A. Any unused portion of the credit may
5 be carried forward to the following year or years until
6 exhausted. The credit allowed by this section may not reduce the
7 tax liability to less than zero.

8 **Sec. 2. Application.** This Act applies to tax years beginning
9 on or after January 1, 2000.'

10 Further amend the bill by inserting at the end before the
11 summary the following:

14 **FISCAL NOTE**

	1999-00	2000-01
REVENUES		
General Fund	(\$20,587)	(\$396,622)
Other Funds	(1,106)	(21,315)

24 The income tax credit for lead abatement expenses will
25 decrease individual income tax collections by \$21,693 in fiscal
26 year 1999-00 and \$417,937 in fiscal year 2000-01. The reduction
27 of these tax collections will decrease the amounts transferred to
28 the Local Government Fund for state-municipal revenue sharing in
29 those years by \$1,106 and \$21,315, respectively. The resulting
30 net reductions of General Fund revenue will be \$20,587 in fiscal
31 year 1999-00 and \$396,622 in fiscal year 2000-01. The gross
32 revenue reductions from this income tax credit will decline in
33 future years to \$110,715 in fiscal year 2001-02 and \$23,306 in
34 fiscal year 2002-03.

36 The Bureau of Revenue Services will incur some minor
37 additional costs to implement this individual income tax credit.
38 These costs can be absorbed within the bureau's existing budgeted
39 resources.'

42 **SUMMARY**

43 This amendment strikes the provisions of the bill providing
44 for a revolving loan program. The amendment establishes a
45 definition for an "eligible facility" and clarifies that the
46

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2 credit is a one-time credit and may not reduce tax liability
below zero. The amendment also removes the emergency preamble
4 and clause and adds an application section and a fiscal note to
the bill.

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