

MAINE STATE LEGISLATURE

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MAJORITY TAXATION

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

COMMITTEE AMENDMENT "A" to H.P. 184, L.D. 262, Bill, "An Act to Amend the BETR Program Regarding Reimbursement and Eligibility"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

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:

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, after April 1, 1995. "Eligible property" includes, without limitation, repair parts, replacement parts, additions, accessions and accessories to other qualified business property placed in service on or before April 1, 1995 if the part, addition, accession or accessory is first placed in service, or constitutes construction in progress, in the State after April 1, 1995. "Eligible property" also includes inventory parts. ~~"Eligible property" is subject to reimbursement pursuant to this chapter for up to 12 years, but the 12 years must be reduced by one year for each year during which a taxpayer included the same property in its investment credit base under section 5219-E or 5219-M and claimed the credit provided in either section on its income tax return.~~

Sec. 2. 36 MRSA §6652, sub-§1, ¶¶A to C are enacted to read:

COMMITTEE AMENDMENT

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COMMITTEE AMENDMENT "A" to H.P. 184, L.D. 262

2 A. Eligible property first placed in service in the State,
3 or constituting construction in progress commenced in the
4 State, after April 1, 1995, and on or before April 1, 2000,
5 is subject to reimbursement pursuant to this chapter for up
6 to 12 years.

7 B. Eligible property first placed in service in the State,
8 or constituting construction in progress commenced in the
9 State, after April 1, 2000 is subject to reimbursement
10 pursuant to this chapter for up to 10 years. Reimbursement
11 under this paragraph is limited to the taxes paid on 90% of
12 the value of the eligible property.

13 C. The number of years of eligibility provided under
14 paragraph A or B must be reduced by one year for each year
15 during which a taxpayer included the same property in that
16 taxpayer's investment credit base under section 5219-E or
17 5219-M and claimed the credit provided in either section on
18 that taxpayer's income tax return.'

19 Further amend the bill by inserting at the end before the
20 summary the following:
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24 **FISCAL NOTE**

25 The change in the percentage reimbursement under the
26 Personal Property Tax Reform or Business Equipment Tax
27 Reimbursement (BETR) program for certain eligible property will
28 result in future General Fund savings of \$900,000 in fiscal year
29 2001-02 and \$2,250,000 in fiscal year 2002-03.
30

31 This bill also reduces the number of years of eligibility
32 for reimbursement under the BETR program for certain eligible
33 property. The amount of additional future savings that will
34 result from this provision beginning in fiscal year 2011-12 can
35 not be determined at this time.'
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39 **SUMMARY**

40 This amendment reallocates provisions of the bill and
41 provides that the changes in reimbursement under the bill apply
42 prospectively. The amendment also adds a fiscal note.
43
44