

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 262

H.P. 184

House of Representatives, January 11, 1999

An Act to Amend the BETR Program Regarding Reimbursement and Eligibility.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative GAGNON of Waterville.
Cosponsored by Senator: MILLS of Somerset,
Senator CAREY of Kennebec and
Representatives: COLWELL of Gardiner, COWGER of Hallowell.

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

2
4 **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:

6 **1. Eligible property.** "Eligible property" means qualified
8 business property first placed in service in the State, or
constituting construction in progress commenced in the State,
10 after April 1, 1995. "Eligible property" includes, without
12 limitation, repair parts, replacement parts, additions,
accessions and accessories to other qualified business property
14 placed in service on or before April 1, 1995 if the part,
addition, accession or accessory is first placed in service, or
16 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
18 chapter for up to ~~12~~ 10 years, but the ~~12~~ 10 years must be
reduced by one year for each year during which a taxpayer
20 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.

22 **Sec. 2. 36 MRSA §6652, sub-§1**, as amended by PL 1997, c. 729,
24 Pt. B, §1, is further amended to read:

26 **1. Generally.** A person against whom taxes have been
28 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 these taxes~~ from the State as
30 provided in this chapter. The amount of reimbursement is equal
to the taxes paid on 90% of the value of the eligible property.

32 **Sec. 3. 36 MRSA §6652, sub-§1-B**, as enacted by PL 1997, c. 24,
34 Pt. C, §14, is amended to read:

36 **1-B. Certain property excluded.** Notwithstanding any other
provision of law, reimbursement pursuant to this chapter may not
38 be made with respect to the following property:

40 A. Office furniture, including without limitation tables,
chairs, desks, bookcases, filing cabinets and modular office
42 partitions; and b! 1997, c. 24, Pt. C, @14 (new). ?b

44 B. Lamps and lighting fixtures. b! 1997, c. 24, Pt. C, @14
(new). ?b

46
48 This subsection applies to property tax years beginning after
April 1, 1996. Property affected by this subsection that was
eligible for reimbursement pursuant to chapter 915 of property

2 taxes paid for the 1996 property tax year is grandfathered into
the program and continues to be eligible for reimbursements for
4 up to ~~12~~ 10 years, unless it subsequently becomes ineligible.

6 SUMMARY

8 This bill amends the business equipment tax reimbursement
10 program to limit reimbursement to the taxes paid on 90% of the
value of the eligible property. It also reduces the years that
12 eligible property is subject to reimbursement from 12 years to 10
years.