

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

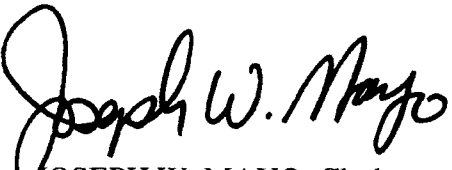
No. 1425

H.P. 1014

House of Representatives, February 23, 1999

An Act to Encourage Jobs and Opportunities in Municipalities with Low Average Income and High Property Taxes.

Reference to the Committee on Taxation suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative MENDROS of Lewiston.
Cosponsored by Representatives: BOUFFARD of Lewiston, BROOKS of Winterport,
BRYANT of Dixfield, DESMOND of Mapleton, MAYO of Bath, SHOREY of Calais,
Senator: PARADIS of Aroostook.

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

4 **Sec. 1. 36 MRSA §5219-Q** is enacted to read:

6 **§5219-Q. Jobs and opportunity credit**

8 **1. Credit allowed. A taxpayer is allowed a credit against the tax imposed under chapter 817 if:**

10 **A. The taxpayer's business operations are located in a municipality with an equalized property tax rate greater than 150% of the statewide average equalized property tax rate;**

14 **B. The median household income for the municipality is 90% or less of the statewide median household income for the previous year;**

18 **C. The taxpayer began operations in the municipality within 3 years previous to the tax year for which the credit is claimed; and**

22 **D. The taxpayer did not relocate from another municipality in the State.**

24 **2. Amount of credit. The credit allowed under this section is equal to the tax imposed under chapter 817 that is attributable to operations of the taxpayer described in subsection 1.**

28 **3. Reduction not less than zero. The credit allowed under this section for any taxable year may not reduce the tax due to less than zero.**

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

36 **SUMMARY**

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42 This bill permits a credit against the corporate income tax for the first 3 years of business operations of a taxpayer in a municipality with an equalized property tax mill rate greater than 150% of the statewide average equalized property tax rate and a median household income that is 90% or less of the statewide median household income. The credit is restricted to taxpayers who did not relocate from another municipality in the State.