

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
SENATE  
119TH LEGISLATURE  
SECOND REGULAR SESSION

SENATE AMENDMENT "I" to COMMITTEE AMENDMENT "A" to H.P. 1790, L.D. 2510, Bill, "An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2000 and June 30, 2001"

Amend the amendment by inserting after Part DDDD the following:

PART EEEE

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

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

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

B. Either:

(1) Was subject to an allowance for depreciation under the Code on April 1st of the property tax year to which the claim for reimbursement relates or would have been subject to an allowance for depreciation under the Code as of that date but for the fact that the property has been fully depreciated; or

(2) In the case of construction in progress or inventory parts, would be subject under the Code to an

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allowance for depreciation when placed in service or  
would have been subject to an allowance for  
depreciation under the Code as of that date but for the  
fact that the property has been fully depreciated.

"Qualified business property" also includes all property that is  
affixed or attached to a building or other real estate if it is  
used to further a particular trade or business activity taking  
place in that building or on that real estate. "Qualified  
business property" does not include tangible personal property  
that is located in a tax increment financing district that is  
designated by a municipality after July 1, 2000. "Qualified  
business property" does not include components or attachments to  
a building if used primarily to serve the building as a building,  
regardless of the particular trade or activity taking place in or  
on the building. "Qualified business property" also does not  
include land improvements if used primarily to further the use of  
the land as land, regardless of the particular trade or business  
activities taking place in or on the land. In the case of  
construction in progress or inventory parts, the term "used"  
means intended to be used.'

Further amend the amendment by relettering or renumbering  
any nonconsecutive Part letter or section number to read  
consecutively.

### FISCAL NOTE

This amendment may result in some future General Fund  
savings to the Personal Property Tax Reform (BETR) program  
beginning in fiscal year 2001-02. The amount of the savings can  
not be determined at this time.

### SUMMARY

This provision excludes from eligibility for reimbursement  
for property taxes paid on business equipment personal property  
located in a tax increment financing district that is designated  
after July 1, 2000.

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COUNTY: Somerset