

MAINE STATE LEGISLATURE

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M
R. 08.

L.D. 1298

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DATE: *June 20, 2001*

(Filing No. S-383)

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**STATE OF MAINE
SENATE
120TH LEGISLATURE
FIRST REGULAR SESSION**

12

14

SENATE AMENDMENT "*A*" to COMMITTEE AMENDMENT "A" to H.P. 974, L.D. 1298, Bill, "An Act Providing for Enhancements to the Maine Seed Capital Tax Credit Program"

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Amend the amendment in section 4 in subsection 2 by striking out all of the last sentence (page 1, lines 45 to 48 in amendment) and inserting in its place the following:

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24

'Except as limited or authorized by subsection 3 or 4, 50% 15% of the credit must be taken in the taxable year the investment is made and 50% 15% per year must be taken in each of the next 5 taxable year years and 10% taken in the next taxable year.'

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FISCAL NOTE

30

2001-02

2002-03

32

REVENUES

34

General Fund
Other Funds

\$231,240
12,427

\$291,838
15,684

36

38

This amendment eliminates the current biennium cost of the original bill by limiting the amount of the Maine Seed Capital Tax Credit program tax credit that may be taken in any year.

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The bill as amended increases the tax credit allowed under the Maine Seed Capital Tax Credit program but reduces the amount of the credit that can be taken in any given year. The bill also increases the amount of tax credits that may be issued under the program. These changes will increase individual income tax

44

SENATE AMENDMENT

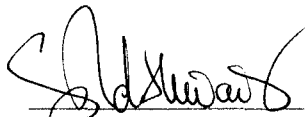
R 018

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 974,
L.D. 1298

2 collections by \$243,667 in fiscal year 2001-02 and \$307,522 in
3 fiscal year 2002-03. The increase of these tax collections will
4 increase the amounts transferred to the Local Government Fund for
5 state-municipal revenue sharing in those fiscal years by \$12,427
6 and \$15,684, respectively. The resulting net increase of General
7 Fund revenue will be \$231,240 in fiscal year 2001-02 and \$291,838
8 in fiscal year 2002-03. The estimated impact on total individual
9 income tax collections in fiscal year 2003-04 and fiscal year
10 2004-05 will be an approximate increase of \$138,482 in fiscal
11 year 2003-04 and an approximate decrease of \$42,462 in fiscal
12 year 2004-05.

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16 **SUMMARY**

17 This amendment changes the number of years over which a tax
18 credit may be taken from 2 to 7.

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22 SPONSORED BY: 
23 (Senator GOLDTHWAIT)

24 COUNTY: Hancock
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