

# MAINE STATE LEGISLATURE

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# 121st MAINE LEGISLATURE

## FIRST REGULAR SESSION-2003

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**Legislative Document**

**No. 1151**

S.P. 375

In Senate, March 4, 2003

### **An Act Relating to Tax Credits for Historic Preservation**

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Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script, reading "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator MAYO of Sagadahoc.

Cosponsored by Senator STRIMLING of Cumberland, Representative ADAMS of Portland and Senators: GAGNON of Kennebec, SAWYER of Penobscot, TREAT of Kennebec, Representatives: CUMMINGS of Portland, MILLS of Cornville, O'BRIEN of Augusta, SUSLOVIC of Portland.

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

Sec. 1. 36 MRSA §5219-R, as amended by PL 2001, c. 526, §5 and affected by §6, is further amended to read:

**§5219-R. Credit for rehabilitation of historic properties**

A taxpayer is allowed a credit against the tax imposed under this Part equal to the amount of credit claimed by the taxpayer for the taxable year under Section 47 of the Code with respect to expenditures incurred after December 31, 1999 for a certified historic structure located in the State. The credit is nonrefundable and is limited to \$100,000 annually per taxpayer. A credit received under this section is subject to ~~the same recapture provisions as apply to a credit received under Section 47 of the Code and to any~~ available federal carry-back or carry-forward provisions. In the case of a certified historic structure owned by a partnership or S corporation, the term "taxpayer" as used in this section means the partnership or S corporation owning the certified historic structure and the credit allowed under this section will be allowed to the partners or shareholders of the entity owning the structure as provided in section 5219-G, except that the credit may be allocated among some or all of the partners or shareholders in any manner agreed to by those persons in writing. The fact that any such person has not been allocated any portion of the federal rehabilitation tax credit with respect to the certified historic structure or is otherwise not entitled to claim the federal credit for federal income tax purposes does not affect the availability of the credit to such person under this section.

Sec. 2. Application. This Act applies to tax years beginning on or after January 1, 2003.

**SUMMARY**

This bill will permit greater participation in the credit for rehabilitation of certified historic structures by permitting partnerships and S corporations to allocate the state credit in a different way than the federal credit is allocated. The bill also deletes a provision that requires recapture of the credit in the same manner as under the federal credit.