

MAINE STATE LEGISLATURE

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H. 946

L.D. 1916

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
121ST LEGISLATURE
SECOND SPECIAL SESSION

HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to H.P. 1418, L.D. 1916, Bill, "An Act To Correct Errors and Inconsistencies in the Laws of Maine"

Amend the amendment in Part D by inserting after section 4 the following:

'Sec. D-5. 36 MRSA §5219-W, sub-§§1 and 2, as enacted by PL 2003, c. 451, Pt. NNN, §5 and affected by §8, are amended to read:

1. Credit allowed. Except as provided by subsection 2, a taxpayer that is a qualified Pine Tree Development Zone business as defined in Title 30-A, section 5246 5250-I, subsection 17 is allowed a credit in the amount of:

A. One hundred percent of the tax that would otherwise be due under this Part for each of the first 5 taxable years that the taxpayer is required to file a return pursuant to this Part beginning after the taxpayer commences its qualified business activity, as defined in Title 30-A, section 5246 5250-I, subsection 16; and

B. Fifty percent of the tax that would otherwise be due under this Part for each of the taxable years beginning with the 6th taxable year and ending with the 10th taxable year that the taxpayer is required to file a return pursuant to this Part after the taxpayer commences its qualified business activity, as defined in Title 30-A, section 5246 5250-I, subsection 16.

HOUSE AMENDMENT

R. 015

HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to H.P. 1418,
L.D. 1916

2 2. **Apportioned credit in certain circumstances.** In the
 3 case of a qualified Pine Tree Development Zone business, as
 4 defined in Title 30-A, section 5246 5250-I, subsection 17, that
 5 has a business presence in the State other than that conducted
 6 within a Pine Tree Development Zone, as defined by Title 30-A,
 7 section ~~5246~~ 5250-I, subsection 13, including, but not limited
 8 to, a qualified Pine Tree Development Zone business that is
 9 required to file a combined report pursuant to section 5220,
 10 subsections 5 and 6, the Maine income tax liability of the
 11 qualified Pine Tree Development Zone business, and the affiliated
 12 members of its unitary group, if any, upon which the credit
 13 provided for in this section must be calculated based upon a pro
 14 forma determination. The pro forma determination must be based
 15 on the assumptions that all of the business activities conducted
 16 by the qualified Pine Tree Development Zone business and the
 17 affiliated members of its unitary group, if any, within this
 18 State constitute a unitary business and that only the qualified
 19 business activity conducted in the Pine Tree Development Zone is
 20 subject to tax imposed by this chapter. The portion of the tax
 21 liability of the qualified Pine Tree Development Zone business
 22 and the affiliated members of its unitary group, if any, related
 23 to the business activity conducted in the Pine Tree Development
 24 Zone must be determined by use of a percentage, the numerator of
 25 which is the property value and the payroll for the taxable year
 26 directly attributed to the qualified business activity of the
 27 business and the denominator of which is the statewide property
 28 value and payroll for the taxable year of the qualified business
 and the members of its unitary group.'

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

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SUMMARY

38 This amendment corrects cross-references to the laws
 39 governing Pine Tree Development Zones.

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SPONSORED BY:

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