

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
SENATE  
122ND LEGISLATURE  
FIRST SPECIAL SESSION

SENATE AMENDMENT **B** to H.P. 446, L.D. 613, Bill, "An Act To Provide Tax Incentives to Small Businesses That Employ At Least One Person"

Amend the bill by striking out the title and substituting the following:

**'An Act To Provide Tax Incentives to Small Businesses'**

Further amend the bill in section 1 in subsection 11 by inserting at the end (page 1, line 29 in L.D.) a new blocked paragraph to read:

' "Qualified business" does not include a business that employs only one person unless that business is adding a qualified employee.'

Further amend the bill by inserting after section 1 the following:

**'Sec. 2. 36 MRSA §6753, sub-§12,** as amended by PL 2003, c. 391, §13, is further amended to read:

**12. Qualified employees.** "Qualified employees" means new, full-time employees hired in this State by a qualified business and for whom a retirement program subject to the Employee Retirement Income Security Act of 1974, 29 United States Code, Sections 101 to 1461, as amended, and group health insurance are provided, and whose income derived from employment with the applicant, calculated on a calendar year basis is greater than the most recent average annual wage in the county in which the qualified employee is employed and whose state income withholding taxes are subject to reimbursement to the qualified business under this chapter. Qualified employees must be residents of this State.

**SENATE AMENDMENT**

2 "Qualified employees" does not include individuals with an  
3 ownership interest of 50% or more in the qualified business.'

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### SUMMARY


8 The intent of this amendment is to prohibit an  
9 owner-operated business, when the only employee is the owner of  
10 the business, from obtaining a benefit under the Maine Employment  
11 Tax Increment Financing Act. If such a business adds an  
12 employee, that employee may not have an ownership interest of 50%  
13 or more in the business and be considered a "qualified employee"  
14 for purposes of the business' obtaining a benefit.

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SPONSORED BY:   
(Senator STRIMLING)

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COUNTY: Cumberland

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