

# MAINE STATE LEGISLATURE

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R.O.S.

L.D. 1165

DATE: 5-22-06

(Filing No. S-664)

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STATE OF MAINE  
SENATE  
122ND LEGISLATURE  
SECOND REGULAR SESSION

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 808, L.D. 1165, Bill, "An Act To Encourage the Preservation of Affordable Housing"

Amend the amendment by striking out all of sections 1 to 10 and inserting in their place the following:

'Sec. 1. 30-A MRSA §4722, sub-§1, ¶Y, as amended by PL 2005, c. 261, §2, is further amended to read:

Y. Expand access to housing for young professionals and young families. The Maine State Housing Authority shall develop recommendations to create or modify programs with the goal of expanding access to housing for young professionals and young families. The Maine State Housing Authority shall specifically consider strategies to assist renters and first-time home buyers who are under 35 years of age and explore options for linking assistance levels to student loan obligations. The Maine State Housing Authority shall collaborate with the Maine Community College System, vocational high schools and community action programs to encourage the development of affordable housing in high-cost housing areas of the State.

(1) The Maine State Housing Authority shall report its findings and recommendations regarding expanded access to housing for young professionals and young families to the Future for Youth in Maine State Work Action Tactics Team established in Title 5, section 13161 and

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2 to the joint standing committee of the Legislature  
3 having jurisdiction over housing matters no later than  
4 January 15, 2005 and annually thereafter; and

6 **Sec. 2. 30-A MRSA §4722, sub-§1, ¶Z**, as enacted by PL 2005, c.  
261, §3, is amended to read:

8 Z. Condition approval of funding of a housing project upon  
9 an applicant's compliance with municipal health, safety and  
10 sanitation standards. The Maine State Housing Authority may  
11 condition approval of funding for a housing project upon a  
12 municipality's representation that the applicant, an  
13 affiliate of the applicant or any owner controlled by the  
14 applicant has no record of a material municipal code  
15 violation of health, safety or sanitation standards; and

16 **Sec. 3. 30-A MRSA §4722, sub-§1, ¶AA** is enacted to read:

18 AA. Certify transfers of multifamily affordable housing  
19 property that qualify for the deduction under Title 36,  
20 section 5122, subsection 2, paragraph W or Title 36, section  
21 5200-A, subsection 2, paragraph O. The affordability  
22 restrictions that apply under this paragraph must be  
23 contained in a declaration signed by the transferee and  
24 recorded in the appropriate registry of deeds at the time of  
25 the sale or transfer.

26  
27 (1) For the purposes of this paragraph, "multifamily  
28 affordable housing property" means a decent, safe and  
29 sanitary dwelling, apartment building or other living  
30 accommodation that includes at least 6 units, that  
31 meets at least one of the following affordability  
32 restrictions and for which those affordability  
33 restrictions, as applicable, expire in 10 years or less  
34 from the date of the sale or transfer of the property:

35 (a) At least 20% of the units have restricted  
36 rents affordable to households earning no more  
37 than 80% of the area median income as determined  
38 by the United States Department of Housing and  
39 Urban Development;

40 (b) The property is assisted by the United States  
41 Department of Housing and Urban Development, the  
42 United States Department of Agriculture or the  
43 Maine State Housing Authority; or

44 (c) The property qualifies for low-income housing  
45 credits under the United States Internal Revenue  
46 Code of 1986, Section 42.

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2 (2) For the purposes of this paragraph, property does  
3 not qualify as multifamily affordable housing property  
4 unless:

5 (a) The transferee agrees to maintain the  
6 property as multifamily affordable housing  
7 property for an additional 30 years from the  
8 scheduled expiration;

9 (b) If the existing federal, state or other  
10 assistance is not available to maintain the  
11 property as multifamily affordable housing  
12 property, the transferee agrees to ensure that 1/2  
13 of the units are affordable to persons at 60% of  
14 the area median income as determined by the United  
15 States Department of Housing and Urban Development  
16 for 30 years from the expiration of the  
17 then-existing affordability restrictions; or

18 (c) The transferee agrees to an alternative  
19 affordability agreement approved by the Maine  
20 State Housing Authority.

21 **Sec. 4. 36 MRSA §4641-B, sub-§4,** as amended by PL 2005, c. 12,  
22 Pt. H, §1, is further amended to read:

23 **4. Distribution of State's share of proceeds.** The State  
24 Tax Assessor shall pay all net receipts received pursuant to this  
25 section to the Treasurer of State, and shall at the same time  
26 provide the Treasurer of State with documentation showing the  
27 amount of revenues derived from the tax imposed by section  
28 4641-A, subsection 1 and the amount of revenues derived from the  
29 tax imposed by section 4641-A, subsection 2. The Treasurer of  
30 State shall credit 1/2 of the revenues derived from the tax  
31 imposed by section 4641-A, subsection 1 to the General Fund and  
32 shall monthly pay the remaining 1/2 of such revenues to the Maine  
33 State Housing Authority, which shall deposit the funds in the  
34 Housing Opportunities for Maine Fund created in Title 30-A,  
35 section 4853, except that in fiscal year 2003-04, fiscal year  
36 2004-05, and fiscal year 2005-06 ~~and--fiscal--year--2006-07,~~  
37 \$7,500,000 of the remaining 1/2 of those revenues must be  
38 transferred to the General Fund before any payments are made to  
39 the Maine State Housing Authority and in fiscal year 2006-07,  
40 \$7,687,067 of the remaining 1/2 of those revenues must be  
41 transferred to the General Fund before any payments are made to  
42 the Maine State Housing Authority. The Treasurer of State shall  
43 credit to the General Fund all of the revenues derived from the  
44 tax imposed by section 4641-A, subsection 2.

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2       **Sec. 5. 36 MRSA §5122, sub-§2, ¶U**, as amended by PL 2005, c.  
519, Pt. LLL, §2, is further amended to read:

4           U. For income tax years beginning on or after January 1,  
2015, the gain attributable to the sale of sustainably  
6       managed, eligible timberlands as calculated in this  
paragraph.

8                   (1) As used in this paragraph, unless the context  
10                   otherwise indicates, the following terms have the  
following meanings.

12                               (a) "Commercial harvesting" or "commercially  
14                               harvested" means the harvesting of forest products  
that have commercial value.

16                               (b) "Eligible timberlands" means land of at least  
18                               10 acres located in the State and used primarily  
for the growth of trees to be commercially  
20                               harvested. Land that would otherwise be included  
within this definition may not be excluded because  
22                               of:

24                                       (i) Use of the land for multiple public  
recreation activities;

26                                       (ii) Statutory or governmental restrictions  
28                                       that prevent commercial harvesting of trees  
or require a primary use of the land other  
30                                       than commercial harvesting;

32                                       (iii) Deed restrictions, restrictive  
34                                       covenants or organizational charters that  
prevent commercial harvesting of trees or  
36                                       require a primary use of land other than  
commercial harvesting and that were effective  
38                                       prior to January 1, 1982; or

40                                       (iv) Past or present multiple use for  
mineral exploration.

42                               (c) "Forest products that have commercial value"  
44                               means logs, pulpwood, veneer, bolt wood, wood  
chips, stud wood, poles, pilings, biomass, fuel  
46                               wood, Christmas trees, maple syrup, nursery  
products used for ornamental purposes, wreaths,  
bough material or cones or other seed products.

48                               (d) "Sustainably managed" means:  
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(i) A forest management and harvest plan, as defined in section 573, subsection 3-A, has been prepared for the eligible timberlands and has been in effect for the entire time period used to compute the amount of the subtraction modification under this paragraph; and

(ii) The taxpayer has received a written statement from a licensed forester certifying that, as of the time of the sale, the eligible timberlands have been managed in accordance with the plan under subdivision (i) during that period.

(2) To the extent they are included in the taxpayer's federal adjusted gross income, the following amounts must be subtracted from federal adjusted gross income:

(a) For eligible timberlands held by the taxpayer for at least a 10-year period beginning on or after January 1, 2005 but less than an 11-year period beginning on or after January 1, 2005, 1/15 of the gain recognized on the sale of the eligible timberlands;

(b) For eligible timberlands held by the taxpayer for at least an 11-year period beginning on or after January 1, 2005 but less than a 12-year period beginning on or after January 1, 2005, 2/15 of the gain recognized on the sale of the eligible timberlands;

(c) For eligible timberlands held by the taxpayer for at least a 12-year period beginning on or after January 1, 2005 but less than a 13-year period beginning on or after January 1, 2005, 1/5 of the gain recognized on the sale of the eligible timberlands;

(d) For eligible timberlands held by the taxpayer for at least a 13-year period beginning on or after January 1, 2005 but less than a 14-year period beginning on or after January 1, 2005, 4/15 of the gain recognized on the sale of the eligible timberlands;

(e) For eligible timberlands held by the taxpayer for at least a 14-year period beginning on or after January 1, 2005 but less than a 15-year

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2 period beginning on or after January 1, 2005, 1/3  
of the gain recognized on the sale of the eligible  
timberlands;

4  
6 (f) For eligible timberlands held by the taxpayer  
for at least a 15-year period beginning on or  
after January 1, 2005 but less than a 16-year  
8 period beginning on or after January 1, 2005, 2/5  
of the gain recognized on the sale of the eligible  
10 timberlands;

12 (g) For eligible timberlands held by the taxpayer  
for at least a 16-year period beginning on or  
14 after January 1, 2005 but less than a 17-year  
period beginning on or after January 1, 2005, 7/15  
16 of the gain recognized on the sale of the eligible  
timberlands;

18 (h) For eligible timberlands held by the taxpayer  
20 for at least a 17-year period beginning on or  
after January 1, 2005 but less than an 18-year  
22 period beginning on or after January 1, 2005, 8/15  
of the gain recognized on the sale of the eligible  
24 timberlands;

26 (i) For eligible timberlands held by the taxpayer  
for at least an 18-year period beginning on or  
28 after January 1, 2005 but less than a 19-year  
period beginning on or after January 1, 2005, 3/5  
30 of the gain recognized on the sale of the eligible  
timberlands;

32 (j) For eligible timberlands held by the taxpayer  
34 for at least a 19-year period beginning on or  
after January 1, 2005 but less than a 20-year  
36 period beginning on or after January 1, 2005, 2/3  
of the gain recognized on the sale of the eligible  
38 timberlands;

40 (k) For eligible timberlands held by the taxpayer  
for at least a 20-year period beginning on or  
42 after January 1, 2005 but less than a 21-year  
period beginning on or after January 1, 2005,  
44 11/15 of the gain recognized on the sale of the  
eligible timberlands;

46 (l) For eligible timberlands held by the taxpayer  
48 for at least a 21-year period beginning on or  
after January 1, 2005 but less than a 22-year  
50 period beginning on or after January 1, 2005, 4/5

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2 of the gain recognized on the sale of the eligible  
timberlands;

4 (m) For eligible timberlands held by the taxpayer  
6 for at least a 22-year period beginning on or  
8 after January 1, 2005 but less than a 23-year  
period beginning on or after January 1, 2005,  
13/15 of the gain recognized on the sale of the  
eligible timberlands;

10 (n) For eligible timberlands held by the taxpayer  
12 for at least a 23-year period beginning on or  
14 after January 1, 2005 but less than a 24-year  
period beginning on or after January 1, 2005,  
14/15 of the gain recognized on the sale of the  
eligible timberlands; or

18 (o) For eligible timberlands held by the taxpayer  
20 for at least a 24-year period beginning on or  
after January 1, 2005, all of the gain recognized  
on the sale of the eligible timberlands.

22 (3) Taxpayers claiming this credit must attach a sworn  
24 statement from a forester licensed pursuant to Title  
32, chapter 76 that the timberlands for which the  
26 credit is claimed have been managed sustainably. For  
the purposes of this subparagraph, "sustainably" means  
28 that the timberlands for which the credit is claimed  
have been managed to protect soil productivity and to  
30 maintain or improve stand productivity and timber  
quality; known occurrences of threatened or endangered  
32 species and rare or exemplary natural communities;  
significant wildlife habitat and essential wildlife  
34 habitat; and water quality, wetlands and riparian zones.

36 Upon request of the State Tax Assessor, the Director of  
the Bureau of Forestry within the Department of  
38 Conservation may provide assistance in determining  
whether timberlands for which the credit is claimed  
40 have been managed sustainably. When assistance is  
requested under this subparagraph, the director or the  
42 director's designee may enter and examine the  
timberlands for the purpose of determining whether the  
44 timberlands have been managed sustainably.

46 In the case of timberlands owned by an entity that is  
treated as a pass-through entity for income tax purposes,  
48 the land must be treated as eligible timberland if ownership  
and use of the land by the pass-through entity satisfies the  
50 requirements of this paragraph. If the owner of the

# **SENATE AMENDMENT**



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2 eligible timberlands is an S corporation, the taxpayer must  
3 subtract the owner's pro rata share of the gain. If the  
4 owner of the timberlands is a partnership or limited  
5 liability company taxed as a partnership, the taxpayer must  
6 subtract the taxpayer's distributive share of the gain,  
7 subject to the percentage limitations provided in this  
8 paragraph.

9  
10 This modification may not reduce Maine taxable income to  
11 less than zero. To the extent this modification results in  
12 Maine taxable income that is less than zero for the taxable  
13 year, the excess negative modification amount may be carried  
14 forward and applied as a subtraction modification for up to  
15 10 taxable years. The entire amount of the excess negative  
16 modification must be carried to the earliest of the taxable  
17 years to which, by reason of this subsection, the negative  
18 modification may be carried and then to each of the other  
19 taxable years to the extent the unused negative modification  
20 is not used for a prior taxable year. Earlier carry-forward  
21 modifications must be used before newer modifications  
22 generated in later years; and

23 **Sec. 6. 36 MRSA §5122, sub-§2, ¶V**, as enacted by PL 2005, c.  
24 519, Pt. LLL, §3 and affected by §4, is amended to read:

25  
26 V. The portion of contributions to a qualified tuition  
27 program established under Section 529 of the Code up to \$250  
28 per designated beneficiary. This deduction may not be  
29 claimed on returns when federal adjusted gross income  
30 exceeds \$100,000 for returns with a filing status of single  
31 or married filing separately or \$200,000 for returns with a  
32 filing status of married joint or head of household.; and

33 **Sec. 7. 36 MRSA §5122, sub-§2, ¶W** is enacted to read:

34  
35 W. For income tax years beginning on or after January 1,  
36 2006, to the extent included in federal adjusted gross  
37 income and not otherwise removed from Maine taxable income,  
38 an amount equal to the total of capital gains and ordinary  
39 income resulting from depreciation recapture determined in  
40 accordance with the Code, Sections 1245 and 1250 that is  
41 realized upon the sale of property certified as multifamily  
42 affordable housing property by the Maine State Housing  
43 Authority in accordance with Title 30-A, section 4722,  
44 subsection 1, paragraph AA.

45  
46 **Sec. 8. 36 MRSA §5200-A, sub-§2, ¶M**, as amended by PL 2005, c.  
47 416, §5, is further amended to read:  
48

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2 M. A fraction of any amount previously added back by the  
taxpayer to federal taxable income pursuant to subsection 1,  
paragraph N.

4  
6 (1) With respect to property first placed in service  
during taxable years beginning in 2002, the adjustment  
8 under this paragraph is available for each year during  
the recovery period, beginning 2 years after the  
beginning of the taxable year during which the property  
10 was first placed in service. The fraction is equal to  
the amount added back under subsection 1, paragraph N  
12 with respect to the property, divided by the number of  
years in the recovery period minus 2.

14  
16 (2) With respect to all other property, for the  
taxable year immediately following the taxable year  
18 during which the property was first placed in service,  
the fraction allowed by this paragraph is equal to 5%  
20 of the amount added back under subsection 1, paragraph  
N with respect to the property. For each subsequent  
22 taxable year during the recovery period, the fraction  
is equal to 95% of the amount added back under  
24 subsection 1, paragraph N with respect to the property,  
divided by the number of years in the recovery period  
minus 2.

26  
28 In the case of property expensed pursuant to Section 179 of  
the Code, the term "recovery period" means the recovery  
30 period that would have been applicable to the property had  
Section 179 not been applied; and

32 **Sec. 9. 36 MRSA §5200-A, sub-§2, ¶P,** as enacted by PL 2005, c.  
34 416, §6, is amended to read:

36 P. For income tax years beginning on or after January 1,  
2015, the gain attributable to the sale of sustainably  
38 managed, eligible timberlands as calculated pursuant to this  
paragraph.

40 (1) As used in this paragraph, unless the context  
42 otherwise indicates, the following terms have the  
following meanings.

44 (a) "Commercial harvesting" or "commercially  
46 harvested" means the harvesting of forest products  
that have commercial value.

48 (b) "Eligible timberlands" means land of at least  
50 10 acres located in the State and used primarily  
for the growth of trees to be commercially

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SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 808,  
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harvested. Land that would otherwise be included within this definition may not be excluded because of:

(i) Use of the land for multiple public recreation activities;

(ii) Statutory or governmental restrictions that prevent commercial harvesting of trees or require a primary use of the land other than commercial harvesting;

(iii) Deed restrictions, restrictive covenants or organizational charters that prevent commercial harvesting of trees or require a primary use of land other than commercial harvesting and that were effective prior to January 1, 1982; or

(iv) Past or present multiple use for mineral exploration.

(c) "Forest products that have commercial value" means logs, pulpwood, veneer, bolt wood, wood chips, stud wood, poles, pilings, biomass, fuel wood, Christmas trees, maple syrup, nursery products used for ornamental purposes, wreaths, bough material or cones or other seed products.

(d) "Sustainably managed" means:

(i) A forest management and harvest plan, as defined in section 573, subsection 3-A, has been prepared for the eligible timberlands and has been in effect for the entire time period used to compute the amount of the subtraction modification under this paragraph; and

(ii) The taxpayer has received a written statement from a licensed forester certifying that, as of the time of the sale, the eligible timberlands have been managed in accordance with the plan under subdivision (i) during that period.

(2) To the extent included in the taxpayer's taxable income under the laws of the United States, the taxable income of the taxpayer under the laws of the United States must be decreased by:

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2 (a) For eligible timberlands held by the taxpayer  
4 for at least a 10-year period beginning on or  
6 after January 1, 2005 but less than an 11-year  
8 period beginning on or after January 1, 2005, 1/15  
10 of the gain recognized on the sale of the eligible  
12 timberlands;

14 (b) For eligible timberlands held by the taxpayer  
16 for at least an 11-year period beginning on or  
18 after January 1, 2005 but less than a 12-year  
20 period beginning on or after January 1, 2005, 2/15  
22 of the gain recognized on the sale of the eligible  
24 timberlands;

26 (c) For eligible timberlands held by the taxpayer  
28 for at least a 12-year period beginning on or  
30 after January 1, 2005 but less than a 13-year  
32 period beginning on or after January 1, 2005, 1/5  
34 of the gain recognized on the sale of the eligible  
36 timberlands;

38 (d) For eligible timberlands held by the taxpayer  
40 for at least a 13-year period beginning on or  
42 after January 1, 2005 but less than a 14-year  
44 period beginning on or after January 1, 2005, 4/15  
46 of the gain recognized on the sale of the eligible  
48 timberlands;

50 (e) For eligible timberlands held by the taxpayer  
for at least a 14-year period beginning on or  
after January 1, 2005 but less than a 15-year  
period beginning on or after January 1, 2005, 1/3  
of the gain recognized on the sale of the eligible  
timberlands;

(f) For eligible timberlands held by the taxpayer  
for at least a 15-year period beginning on or  
after January 1, 2005 but less than a 16-year  
period beginning on or after January 1, 2005, 2/5  
of the gain recognized on the sale of the eligible  
timberlands;

(g) For eligible timberlands held by the taxpayer  
for at least a 16-year period beginning on or  
after January 1, 2005 but less than a 17-year  
period beginning on or after January 1, 2005, 7/15  
of the gain recognized on the sale of the eligible  
timberlands;

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2 (h) For eligible timberlands held by the taxpayer  
3 for at least a 17-year period beginning on or  
4 after January 1, 2005 but less than an 18-year  
5 period beginning on or after January 1, 2005, 8/15  
6 of the gain recognized on the sale of the eligible  
7 timberlands;

8 (i) For eligible timberlands held by the taxpayer  
9 for at least an 18-year period beginning on or  
10 after January 1, 2005 but less than a 19-year  
11 period beginning on or after January 1, 2005, 3/5  
12 of the gain recognized on the sale of the eligible  
13 timberlands;

14 (j) For eligible timberlands held by the taxpayer  
15 for at least a 19-year period beginning on or  
16 after January 1, 2005 but less than a 20-year  
17 period beginning on or after January 1, 2005, 2/3  
18 of the gain recognized on the sale of the eligible  
19 timberlands;

20 (k) For eligible timberlands held by the taxpayer  
21 for at least a 20-year period beginning on or  
22 after January 1, 2005 but less than a 21-year  
23 period beginning on or after January 1, 2005,  
24 11/15 of the gain recognized on the sale of the  
25 eligible timberlands;

26 (l) For eligible timberlands held by the taxpayer  
27 for at least a 21-year period beginning on or  
28 after January 1, 2005 but less than a 22-year  
29 period beginning on or after January 1, 2005, 4/5  
30 of the gain recognized on the sale of the eligible  
31 timberlands;

32 (m) For eligible timberlands held by the taxpayer  
33 for at least a 22-year period beginning on or  
34 after January 1, 2005 but less than a 23-year  
35 period beginning on or after January 1, 2005,  
36 13/15 of the gain recognized on the sale of the  
37 eligible timberlands;

38 (n) For eligible timberlands held by the taxpayer  
39 for at least a 23-year period beginning on or  
40 after January 1, 2005 but less than a 24-year  
41 period beginning on or after January 1, 2005,  
42 14/15 of the gain recognized on the sale of the  
43 eligible timberlands; or  
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2 (o) For eligible timberlands held by the taxpayer  
for at least a 24-year period beginning on or  
4 after January 1, 2005, all of the gain recognized  
on the sale of the eligible timberlands.

6 (3) Taxpayers claiming this credit must attach a sworn  
statement from a forester licensed pursuant to Title  
8 32, chapter 76 that the timberlands for which the  
credit is claimed have been managed sustainably. For  
10 the purposes of this subparagraph, "sustainably" means  
that the timberlands for which the credit is claimed  
12 have been managed to protect soil productivity and to  
maintain or improve stand productivity and timber  
14 quality; known occurrences of threatened or endangered  
species and rare or exemplary natural communities;  
16 significant wildlife habitat and essential wildlife  
habitat; and water quality, wetlands and riparian zones.

18 Upon request of the State Tax Assessor, the Director of  
20 the Bureau of Forestry within the Department of  
Conservation may provide assistance in determining  
22 whether timberlands for which the credit is claimed  
have been managed sustainably. When assistance is  
24 requested under this subparagraph, the director or the  
director's designee may enter and examine the  
26 timberlands for the purpose of determining whether the  
timberlands have been managed sustainably.

28 In the case of timberlands owned by an entity that is  
30 treated as a pass-through entity for income tax purposes,  
the land must be treated as eligible timberland if ownership  
32 and use of the land by the pass-through entity satisfies the  
requirements of this paragraph. If the owner of the  
34 eligible timberlands is an S corporation, the taxpayer must  
subtract the owner's pro rata share of the gain. If the  
36 owner of the timberlands is a partnership or limited  
liability company taxed as a partnership, the taxpayer must  
38 subtract the taxpayer's distributive share of the gain,  
subject to the percentage limitations provided in this  
40 paragraph.

42 This modification may not reduce Maine taxable income to  
less than zero. To the extent this modification results in  
44 Maine taxable income that is less than zero for the taxable  
year, the excess negative modification amount may be carried  
46 forward and applied as a subtraction modification for up to  
10 taxable years. The entire amount of the excess negative  
48 modification must be carried to the earliest of the taxable  
years to which, by reason of this subsection, the negative  
50 modification may be carried and then to each of the other

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2 taxable years to the extent the unused negative modification  
is not used for a prior taxable year. Earlier carry-forward  
4 modifications must be used before newer modifications  
generated in later years; and

6 **Sec. 10. 36 MRSA §5200-A, sub-§2, ¶Q** is enacted to read:

8 O. For income tax years beginning on or after January 1,  
9 2006, to the extent included in federal taxable income and  
10 not otherwise removed from Maine taxable income, an amount  
11 equal to the total of capital gains and ordinary income  
12 resulting from depreciation recapture determined in  
13 accordance with the Code, Sections 1245 and 1250 that is  
14 realized upon the sale of property certified as multifamily  
15 affordable housing property by the Maine State Housing  
16 Authority in accordance with Title 30-A, section 4722,  
17 subsection 1, paragraph AA.

18 **Sec. 11. Appropriations and allocations.** The following  
20 appropriations and allocations are made.

22 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

24 **Maine Revenue Services 0002**

26 Initiative: Provides funds for the computer programming costs  
associated with the income tax exemption for capital gains and  
28 depreciation recapture related to the transfer of certain  
affordable housing property.

30	<b>GENERAL FUND</b>	<b>2005-06</b>	<b>2006-07</b>
32	All Other	\$0	\$20,000
34	<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>\$20,000'</b>

36 **SUMMARY**

38 This amendment amends Committee Amendment "A" to reflect  
40 changes in the law.

42 This amendment also decreases the Maine State Housing  
Authority's Other Special Revenue Funds share of real estate  
44 transfer tax revenue by \$187,067 in fiscal year 2006-07 and it  
increases the General Fund share of real estate transfer tax

*M. 01/03*

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 808,  
L.D. 1165

2 revenue by \$187,067. It also moves the General Fund  
appropriation of \$20,000 from fiscal year 2005-06 to fiscal year  
4 2006-07.

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8  
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12

SPONSORED BY: *Peggy Rotundo*  
(Senator ROTUNDO) *JB*

COUNTY: Androscoggin

FISCAL NOTE REQUIRED  
(See attached)

# SENATE AMENDMENT





# 122nd MAINE LEGISLATURE

LD 1165

LR 1927(05)

## An Act To Encourage the Preservation of Affordable Housing

Fiscal Note for Senate Amendment "A" to Committee Amendment "A"

Sponsor: Sen. Rotundo

Fiscal Note Required: Yes

### Fiscal Note

	2005-06	2006-07	Projections 2007-08	Projections 2008-09
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$0	\$135,258	\$142,021
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$20,000	\$0	\$0
<b>Revenue</b>				
General Fund	\$0	\$20,000	(\$135,258)	(\$142,021)
Other Special Revenue Funds	\$0	(\$196,045)	(\$7,419)	(\$7,790)

#### Fiscal Detail and Notes

The incremental impact of this amendment is to increase General Fund revenue in fiscal year 2006-07 by \$187,067, decrease the Maine State Housing Authority's Other Special Revenue Funds share of Real Estate Transfer Tax revenue by the same amount and move the General Fund appropriation of \$20,000 in fiscal year 2005-06 for the computer programming costs associated with the income tax exemption to fiscal year 2006-07. The \$187,067 reimburses the General Fund for its costs of the bill in the current biennium. The numbers above reflect the comprehensive impact of the committee amendment as amended by this amendment and adjusted for a later effective date than anticipated on the original fiscal note.