

MAINE STATE LEGISLATURE

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Date: 6/14/07

L.D. 737
(Filing No. H-585)

TAXATION

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
123RD LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 558, L.D. 737, Bill, "An Act To Promote Forest Management Planning and Certification"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

'Sec. 1. 36 MRSA §5219-C, as repealed and replaced by PL 1991, c. 377, §20, is amended to read:

§5219-C. Forest management planning income credits

~~Once every 10 years, an~~ An individual is allowed a credit against the tax otherwise due under this Part for the lesser of ~~\$200 or~~ \$400 and the individual's cost for having a forest management and harvest plan developed or for having an independent 3rd-party certification, as defined in Title 12, section 8012, subsection 3, or recertification for a parcel of forest land greater than 10 acres. For purposes of this section, the licensed professional forester may not be in the regular employ of the individual. In no case may this credit reduce the state income tax to less than zero. Those taxpayers claiming this credit must attach a statement from the forester or certifying entity supporting the claim and ~~swear that the credit has not been~~ provide a sworn statement indicating the amount of any credits under this section claimed by them in the previous 10 years. Those taxpayers deducting the cost of the forester as an expense under the Internal Revenue Code must reduce the expense by the amount of the credit. ~~This credit may be used in any tax year beginning on or after January 1, 1989.~~ The total amount of credits provided under this section is limited to \$400 per individual during any 10-year period.

Sec. 2. Application. This Act applies to tax years beginning on or after January 1, 2008.'

COMMITTEE AMENDMENT

SUMMARY

This amendment clarifies the expansion in the bill of the credit to the cost of 3rd-party certification and recertification and provides that the total amount of credits claimed by an individual in any 10-year period may not exceed \$400.

FISCAL NOTE REQUIRED

(See attached)



123rd MAINE LEGISLATURE

LD 737

LR 1458(02)

An Act To Promote Forest Management Planning and Certification

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	2007-08	2008-09	Projections 2009-10	Projections 2010-11
Net Cost (Savings)				
General Fund	\$11,294	\$45,759	\$48,130	\$50,623
Revenue				
General Fund	(\$11,294)	(\$45,759)	(\$48,130)	(\$50,623)
Other Special Revenue Funds	(\$619)	(\$2,510)	(\$2,640)	(\$2,777)

Fiscal Detail and Notes

Increasing the income tax credit for forest management planning will reduce income tax collections by \$11,913 in fiscal year 2007-08 and \$48,269 in fiscal year 2008-09, resulting in a General Fund revenue loss of \$11,294 and \$45,759 respectively.