

# MAINE STATE LEGISLATURE

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# 123rd MAINE LEGISLATURE

## SECOND REGULAR SESSION-2008

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Legislative Document

No. 2008

S.P. 802

December 18, 2007

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### **An Act To Provide Ongoing Funding for the Historic Preservation Tax Credit**

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 18, 2007. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator COURTNEY of York.  
Cosponsored by Representative KOFFMAN of Bar Harbor, Senator HOBBS of York and  
Senators: MARRACHÉ of Kennebec, NASS of York, Representatives: FAIRCLOTH of  
Bangor, NASS of Acton, PILON of Saco, RECTOR of Thomaston, SAMSON of Auburn.

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

2 **Sec. 1. 36 MRSA §1951-A, sub-§3** is enacted to read:

3 **3. Report by rehabilitated historic property retailer.** Notwithstanding subsection  
4 1, a historic property retailer is subject to the reporting requirements of this subsection.

5 **A. As used in this subsection, the following terms have the following meanings.**

6 **(1) "Historic property" means a certified historic structure or mill that was**  
7 **renovated and for which the renovator received the credit for the rehabilitation of**  
8 **that historic structure or mill pursuant to section 5219-R.**

9 **(2) "Historic property retailer" means a retailer located in a historic property.**

10 **B. On or before the 15th day of each month, a historic property retailer shall file with**  
11 **the State Tax Assessor a return made under the penalties of perjury on a form**  
12 **prescribed by the assessor. The return must report the total sale price of all sales**  
13 **made during the preceding calendar month at that historic property retailer's site**  
14 **located at the historic property and such other information as the assessor requires.**  
15 **The assessor may permit the filing of returns other than monthly. The assessor, by**  
16 **routine technical rule, as defined in Title 5, chapter 375, subchapter 2-A, may waive**  
17 **reporting nontaxable sales. Upon application of a historic property retailer, the**  
18 **assessor shall issue a classified permit establishing the percentage of exempt sales.**  
19 **The classified permit may be amended or revoked if the assessor determines that the**  
20 **percentage of exempt sales is inaccurate. The assessor may for good cause extend for**  
21 **not more than 30 days the time for filing returns required under this Part. Every**  
22 **person subject to the use tax shall file similar returns, at similar dates, and pay the tax**  
23 **or furnish a receipt for the same from a historic property retailer.**

24 **C. The assessor shall certify to the State Controller by the 15th day of each month**  
25 **the amounts collected under this subsection as of the close of the State Controller's**  
26 **records for the previous month.**

27 **Sec. 2. 36 MRSA §5219-R, sub-§4** is enacted to read:

28 **4. Funding.** The credit provided pursuant to this section must be funded using sales  
29 **tax revenue generated by historic property retailers and reported to the State Tax Assessor**  
30 **pursuant to section 1951-A, subsection 3 and income tax paid by employees of historic**  
31 **property retailers, as determined by the State Tax Assessor pursuant to section 5291. For**  
32 **purposes of this subsection, "historic property retailer" has the same meaning as in**  
33 **section 1951-A, subsection 3, paragraph A.**

34 **Sec. 3. 36 MRSA §5291** is enacted to read:

35 **§5291. Determination of income tax generated by historic property employer**

36 **1. Definitions.** As used in this section, the following terms have the following  
37 **meanings.**

1       A. "Historic property" means a certified historic structure or mill that was renovated  
2       and for which the renovator received the credit for the rehabilitation of that historic  
3       structure or mill pursuant to section 5219-R.

4       B. "Historic property retailer" means a retailer located in a historic property.

5       2. Report. The State Tax Assessor shall certify to the State Controller annually by  
6       June 15th the amount of net Maine income tax collected from an employee of a historic  
7       property retailer for the immediately prior tax year.

8       3. Rulemaking. The State Tax Assessor shall adopt routine technical rules, as  
9       defined in Title 5, chapter 375, subchapter 2-A, to implement the requirements of this  
10       section, which may include requiring historic property retailers to register with the bureau  
11       for purposes of identification as historic property retailers.

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### SUMMARY

13       This bill provides a source of funding for the income tax credit provided to persons  
14       who rehabilitate historic properties by earmarking for the credit all sales tax revenue  
15       generated at such rehabilitated properties and all income tax paid by persons employed at  
16       those rehabilitated properties.