

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
124TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 385, L.D. 540, Bill, "An Act To Promote Forest Certification and Long-term Forest Management"

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'Sec. 1. 36 MRSA §5219-C, as amended by PL 2007, c. 627, §90, is repealed and the following enacted in its place:

§5219-C. Forest management planning income credits

1. Credit allowed. An individual is allowed a credit against the tax otherwise due under this Part for the costs incurred during the taxable year, with regard to a parcel of forest land in this State greater than 10 acres, of:

A. A forest management and harvest plan developed by a licensed professional forester not in the regular employ of the individual; or

B. An independent 3rd-party certification as defined in Title 12, section 8012, subsection 3 and recertification.

2. Amount of credit. The total of credits allowed an individual under this section may not exceed during any 10-year period the lesser of:

A. \$400; and

B. The individual's cost of the forest management plan or independent 3rd-party certification or recertification.

3. Limitation. The credit allowed by this section may not reduce the tax otherwise due under this Part to less than zero.

4. Procedures. An individual claiming the credit under this section must attach a statement from the forester or certifying entity supporting the claim and swear that the aggregate credit claimed by the individual has not exceeded \$400 in the previous 10 years. An individual claiming this credit who deducts the cost of the forest management and harvest plan or independent 3rd-party certification as an expense under the Code

COMMITTEE AMENDMENT

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1 must increase federal adjusted gross income by the amount of that expense for purposes
2 of the tax imposed by this Part.

3 **Sec. 2. Application.** This Act applies to tax years beginning on or after January 1,
4 2009.'

5 **SUMMARY**
6 This amendment reorganizes the language of the credit for clarity.

FISCAL NOTE REQUIRED
(See attached)



124th MAINE LEGISLATURE

LD 540

LR 1129(02)

An Act To Promote Forest Certification and Long-term Forest Management

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

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	2009-10	2010-11	Projections 2011-12	Projections 2012-13
Net Cost (Savings)				
General Fund	\$48,449	\$42,989	\$43,849	\$44,726
Revenue				
General Fund	(\$48,449)	(\$42,989)	(\$43,849)	(\$44,726)
Other Special Revenue Funds	(\$2,658)	(\$2,358)	(\$2,405)	(\$2,453)

Fiscal Detail and Notes

Increasing the existing \$200 maximum income tax credit allowed once in a ten year period for a professional forest land management plan to a \$400 maximum credit will reduce revenue to the General Fund by \$48,449 in FY 2009-10 and \$42,989 in FY 2010-11. Increasing the tax credit will also reduce the revenue to and distributions from Municipal Revenue Sharing by \$2,658 in FY 2009-10 and \$2,358 in FY 2010-11. Administrative costs to Maine Revenue Services associated with this change can be absorbed within existing budgeted resources.