

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

5mg
100

Date: 4.20.11

MINORITY

(Filing No. S- 41)

TAXATION

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE
SENATE
125TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 100, L.D. 338, Bill, "An Act To Provide an Income Tax Credit for Logging Companies That Hire Maine Residents"

Amend the bill in section 1 in §5219-FF by striking out all of subsection 2 (page 1, lines 7 to 9 in L.D.) and inserting the following:

2. Amount of credit. The credit allowed under this section is equal to \$250 for each full-time equivalent employee who is a resident individual and who is employed by the taxpayer during the taxable year primarily in the activity of harvesting timber in this State. For purposes of this subsection, a full-time equivalent employee is calculated by dividing the total number of hours an employee works during a tax year by 2,080 hours.'

Amend the bill by inserting after section 1 the following:

Sec. 2. Application. This Act applies to tax years beginning on or after January 1, 2012.

Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF
Revenue Services - Bureau of 0002

Initiative: Appropriates funds for programming changes to tax forms to implement an income tax credit of \$250 per employee for employers primarily engaged in timber harvesting in the State who employ Maine residents full time.

28	GENERAL FUND	2011-12	2012-13
29	All Other	\$0	\$22,000
30			
31	GENERAL FUND TOTAL	\$0	\$22,000
32			

COMMITTEE AMENDMENT

1
2
3
4
5
6
7
8

SUMMARY

This amendment is the minority report. It changes the bill by reducing the income tax credit to an employer in the logging industry that employs residents of the State who are engaged primarily in the harvesting of timber in this State to \$250 for each employee who is employed full-time. It also adds an application date and an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)



125th MAINE LEGISLATURE

LD 338

LR 1438(02)

An Act To Provide an Income Tax Credit for Logging Companies That Hire Maine Residents

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-41)

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	\$188,287	\$495,543	\$480,454	\$486,793
Appropriations/Allocations				
General Fund	\$0	\$22,000	\$0	\$0
Revenue				
General Fund	(\$188,287)	(\$473,543)	(\$480,454)	(\$486,793)
Other Special Revenue Funds	(\$9,910)	(\$24,923)	(\$25,287)	(\$25,621)

Fiscal Detail and Notes

Providing an income tax credit of \$250 per employee for employers engaged primarily in harvesting timber in the state who employ Maine residents full-time will reduce revenues to the General Fund and to revenue sharing. The bill includes a one-time General Fund appropriation of \$22,000 to Maine Revenue Services in fiscal year 2012-13 to add a credit line to tax forms 1040ME, Schedule A and 1120ME.