

MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

SECOND REGULAR SESSION-2016

Legislative Document

No. 1670

H.P. 1141

House of Representatives, March 23, 2016

An Act To Attract Investment to Loring Commerce Centre

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "R. B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative MARTIN of Eagle Lake. (GOVERNOR'S BILL)
Cosponsored by Senator EDGECOMB of Aroostook and
Representatives: EDGECOMB of Fort Fairfield, LONG of Sherman, MARTIN of Sinclair,
McELWEE of Caribou, SAUCIER of Presque Isle, WHITE of Washburn, Senator:
WILLETTE of Aroostook.

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

2 **Sec. 1. 5 MRSA §13080-Q, sub-§1**, as enacted by PL 1995, c. 644, §2, is
3 amended to read:

4 **1. Fund to receive income tax revenues from job creation.** Subject to the
5 provisions of subsection 2 and section 13080-S, the fund must receive annually from the
6 State ~~50%~~ 100% of the employment tax increment.

7 **Sec. 2. 5 MRSA §13080-S, sub-§§1 and 2**, as enacted by PL 1995, c. 644, §2,
8 are amended to read:

9 **1. Certification by authority.** The authority shall certify annually to the assessor by
10 ~~September 30th~~ October 31st of each year, beginning in ~~1997~~ 2016, the following
11 information:

12 A. Employment, payroll and state withholding data necessary to calculate the base
13 level of employment;

14 B. The total number of employees added during the previous year within the base
15 area above the base level of employment, including additional associated payroll and
16 withholding data necessary to calculate the gross employment tax increment and
17 establish the appropriate payment to the fund;

18 C. A listing of all employers within the base area that pay withholding taxes, the
19 locations of those employers and the number of employees at each location; and

20 D. A listing of all affiliated businesses and affiliated groups, data regarding current
21 employment, payroll and state income withholding taxes for each affiliated business
22 within the base area.

23 **2. Approval of payment.** Upon receipt of the information required by this section,
24 the assessor shall review the information ~~in a timely fashion~~ by December 1st
25 immediately following receipt of the information. If the assessor determines that the
26 requirements of this article are satisfied, the assessor shall approve payment to the fund.

27 **Sec. 3. 5 MRSA §13080-S, sub-§3**, as amended by PL 2009, c. 571, Pt. LL, §1,
28 is further amended to read:

29 **3. Deposit and payment of revenue.** On or before ~~July 15th~~ December 15th of each
30 year, ~~if the approval of the assessor has been issued pursuant to subsection 2, the~~
31 ~~Commissioner of Administrative and Financial Services~~ shall deposit an amount equal to
32 ~~50%~~ 100% of the employment tax increment for the preceding year into a contingent
33 account established, maintained and administered by the ~~Commissioner of Administrative~~
34 ~~and Financial Services~~ State Controller. On or before ~~July 31st~~ December 31st of each
35 year, the ~~Commissioner of Administrative and Financial Services~~ assessor shall pay that
36 amount to the fund.

37 **Sec. 4. Effective date.** This Act takes effect August 1, 2016.

1

SUMMARY

2 The purpose of this bill is to improve the competitiveness of and ability to attract
3 private investment at Loring Commerce Centre, which is operated by the Loring
4 Development Authority of Maine at the former Loring Air Force Base. The bill increases
5 the amount of employment tax increment paid to the Loring Job Increment Financing
6 Fund from 50% to 100%. The bill requires the Loring Development Authority of Maine
7 to provide to the State Tax Assessor by October 31st, rather than September 30th, of each
8 year certain information relating to employment in the former Loring Air Force Base
9 area. The bill also clarifies, in order to reflect current administrative practice, that it is the
10 State Controller that administers the employment tax increment contingent account and
11 that it is the assessor that pays the employment tax increment amount into the fund. By
12 December 1st of each year, the assessor is directed to calculate the amount to be paid to
13 the fund and pay that amount to the fund by December 31st; current law requires the
14 Commissioner of Administrative and Financial Services to make the payment by July
15 31st of each year.