

MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 1549

H.P. 1067

House of Representatives, April 27, 2017

An Act To Create a Tax on the Production of Electricity from Wind Resources

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 STEARNS of Guilford.
Cosponsored by Senator DAVIS of Piscataquis and
Representatives: GRIGNON of Athens, HIGGINS of Dover-Foxcroft, STETKIS of Canaan,
WADSWORTH of Hiram, Senator: SAVIELLO of Franklin.

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

2 **Sec. 1. 35-A MRSA §3405** is enacted to read:

3 **§3405. Wind Energy Impact Fund**

4 **1. Fund established.** The Wind Energy Impact Fund, referred to in this section as
5 "the fund," is established for the purpose of compensating certain property owners for the
6 impact of wind energy production. The fund is administered by the commission.

7 **2. Funding.** The fund consists of proceeds from the wind power excise tax
8 transferred to the fund under Title 36, section 2751 and any other resources made
9 available to the fund.

10 **3. Use of the fund.** The commission shall identify the geographical areas affected
11 by wind energy production subject to tax under Title 36, section 2751 and establish a
12 process for distribution of revenues received from the tax to ratepayers in those affected
13 areas through a credit against the costs of transmission and distribution of electricity to
14 those ratepayers.

15 **Sec. 2. 36 MRSA c. 368** is enacted to read:

16 **CHAPTER 368**

17 **WIND POWER EXCISE TAX**

18 **§2751. Tax on wind power**

19 **1. Definition of "wind energy producer."** As used in this chapter, unless the
20 context otherwise indicates, "wind energy producer" means a person that is engaged in
21 the business of using wind resources to produce electricity for sale or trade and that uses
22 wind resources to produce at least 100 megawatt-hours of electricity per year for sale or
23 trade.

24 **2. Imposition.** Beginning January 1, 2018, a tax is imposed on a wind energy
25 producer for the privilege of using wind power to produce electricity from wind resources
26 for sale or trade. The tax is calculated pursuant to subsection 4 on electricity as measured
27 at the point of interconnection with an electric transmission line. The tax is not imposed
28 until 3 years after the turbine that produces the electricity first produced electricity for
29 sale or trade regardless of whether the production of electricity began prior to January 1,
30 2018.

31 **3. Exclusion.** The tax is not imposed on the production of electricity at any facility
32 that is owned or operated by the Federal Government, the State, a county or municipality
33 in the State or any individual producing electricity from wind resources for that
34 individual's personal use.

35 **4. Rate of tax.** The tax is imposed at the rate of \$1 per megawatt-hour of electricity
36 produced from wind resources in this State.

