128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document	**No. 1581**
H.P. 1088	House of Representatives, May 4, 2017

An Act To Simplify Maine Income Tax by Repealing or Terminating Certain Tax Credits and the Charitable Contribution Checkoff

Submitted by the Department of Administrative and Financial Services pursuant to Joint Rule 204.

Reference to the Committee on Taxation suggested and ordered printed.

ROBERT B. HUNT
Clerk

Presented by Representative BICKFORD of Auburn.

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

Sec. 1. 5 MRSA §13090-L, sub-§1, as amended by PL 2009, c. 470, §1, is further amended to read:

1. Generally. A visual media production company that intends to undertake a visual media production in this State may apply to the department to have the production, or a portion of the production, certified under subsection 3 for purposes of the visual media production reimbursement pursuant to Title 36, chapter 919-A ~~and the credit under Title 36, section 5219-Y~~.

Sec. 2. 5 MRSA §13090-L, sub-§3, as amended by PL 2009, c. 470, §1, is further amended to read:

3. Requirements for visual media production certificate. Applications for a visual media production certificate must be made on a form prescribed and furnished by the department. The applicant must:

A. Provide the names of the principals involved in the visual media production and contact information for them;

B. Provide a certificate of insurance for the visual media production;

C. Provide financial information that demonstrates that the visual media production is fully financed and that at least $75,000 of visual media production expense will be incurred for the visual media production certified in accordance with this subsection;

D. Provide data demonstrating that the visual media production will benefit the people of the State by increasing opportunities for employment and will strengthen the economy of the State;

E. Agree to include, in the certified visual media production, an on-screen credit for the State of Maine. The exact wording and size of that credit must be determined in rules adopted by the Maine State Film Office and the department. The Maine State Film Office or the department may, at its discretion, exempt visual media productions from this requirement. Rules adopted pursuant to this paragraph are routine technical rules as defined in chapter 375, subchapter 2-A;

F. Provide evidence that the visual media production company is not owned by, affiliated with or controlled by, in whole or in part, a person that is in default on a loan made by the State or a loan guaranteed by the State;

G. Provide any other information required by the department; and

H. Provide a projected schedule for preproduction, production and postproduction of the visual media production that shows that the production will begin within 60 days after certification pursuant to this subsection.

To qualify for a visual media production certificate, a visual media production company must demonstrate to the satisfaction of the commissioner that the visual media production company has met, or will meet, the requirements of this subsection. If the department determines that the applicant does not qualify for a visual media production certificate, it must inform the applicant of that determination in writing within 4 weeks of receiving the application. As soon as practicable, the department shall issue a visual media production certificate for a visual media production that qualifies. The department shall include with the certificate information regarding the ~~tax credit~~ report under subsection 4 and procedures for claiming reimbursement under Title 36, chapter 919-A ~~and the credit under Title 36, section 5219-Y~~.

Sec. 3. 5 MRSA §13090-L, sub-§5, as amended by PL 2009, c. 470, §1, is further amended to read:

5. Department to provide information to State Tax Assessor. The department shall provide to the State Tax Assessor copies of the visual media production certificate issued pursuant to subsection 3, together with any other information reasonably required by the State Tax Assessor for the administration of visual media production reimbursement under Title 36, chapter 919-A ~~and the credit under Title 36, section 5219-Y~~.

Sec. 4. 5 MRSA §13090-L, sub-§7, as enacted by PL 2009, c. 470, §1, is amended to read:

7. Report. The Maine State Film Office shall submit a report by January 15th annually to the joint standing committee of the Legislature having jurisdiction over taxation matters regarding the certification and reporting process pursuant to this section and the visual media production ~~tax credit and~~ reimbursement activities pursuant to ~~Title 36, section 5219-Y and~~ Title 36, chapter 919-A. The report must include a description of any rule-making activity related to the implementation of the ~~credit and~~ reimbursement activities, outreach efforts to visual media production companies, the number of applications for the visual media production ~~credit and tax~~ reimbursement, the number of ~~credits and~~ reimbursements granted, the revenue loss associated with the ~~credit and~~ reimbursement and the amount of visual media production expenses generated in the State as a result of the ~~credit and~~ reimbursement.

Sec. 5. 12 MRSA c. 903, sub-c. 8, as amended, is repealed.

Sec. 6. 36 MRSA §191, sub-§2, ¶MM, as amended by PL 2009, c. 652, Pt. A, §51, is further amended to read:

MM. The disclosure to an authorized representative of the Department of Economic and Community Development of information required for the administration of ~~the visual media production credit under section 5219-Y,~~ the employment tax increment financing program under chapter 917, the visual media production reimbursement program under chapter 919-A or the Pine Tree Development Zone program under Title 30-A, chapter 206, subchapter 4;

Sec. 7. 36 MRSA §191, sub-§2, ¶BBB, as enacted by PL 2015, c. 490, §4, is repealed.

Sec. 8. 36 MRSA §5122, sub-§1, ¶EE, as amended by PL 2011, c. 644, §13, is repealed.

Sec. 9. 36 MRSA §5122, sub-§1, ¶GG, as amended by PL 2015, c. 1, §2, is repealed.

Sec. 10. 36 MRSA §5122, sub-§1, ¶KK, as enacted by PL 2015, c. 490, §7, is repealed.

Sec. 11. 36 MRSA §5122, sub-§2, ¶U, as amended by PL 2005, c. 622, §27 and c. 644, §5; PL 2011, c. 657, Pt. W, §§5 and 7; and PL 2013, c. 405, Pt. A, §23, is further amended to read:

U. For income tax years beginning on or after January 1, 2015, the gain attributable to the sale of sustainably managed, eligible timberlands as calculated in this paragraph.

(1) As used in this paragraph, unless the context otherwise indicates, the following terms have the following meanings.

(a) "Commercial harvesting" or "commercially harvested" means the harvesting of forest products that have commercial value.

(b) "Eligible timberlands" means land of at least 10 acres located in the State and used primarily for the growth of trees to be commercially harvested. Land that would otherwise be included within this definition may not be excluded because of:

(i) Use of the land for multiple public recreation activities;

(ii) Statutory or governmental restrictions that prevent commercial harvesting of trees or require a primary use of the land other than commercial harvesting;

(iii) Deed restrictions, restrictive covenants or organizational charters that prevent commercial harvesting of trees or require a primary use of land other than commercial harvesting and that were effective prior to January 1, 1982; or

(iv) Past or present multiple use for mineral exploration.

(c) "Forest products that have commercial value" means logs, pulpwood, veneer, bolt wood, wood chips, stud wood, poles, pilings, biomass, fuel wood, Christmas trees, maple syrup, nursery products used for ornamental purposes, wreaths, bough material or cones or other seed products.

(d) "Sustainably managed" means:

(i) A forest management and harvest plan, as defined in section 573, subsection 3-A, has been prepared for the eligible timberlands and has been in effect for the entire time period used to compute the amount of the subtraction modification under this paragraph; and

(ii) The taxpayer has received a written statement from a licensed forester certifying that, as of the time of the sale, the eligible timberlands have been managed in accordance with the plan under subdivision (i) during that period.

(2) To the extent they are included in the taxpayer's federal adjusted gross income, the following amounts must be subtracted from federal adjusted gross income:

(a) For eligible timberlands held by the taxpayer for at least a 10-year period beginning on or after January 1, 2005 but less than an 11-year period beginning on or after January 1, 2005, 1/15 of the gain recognized on the sale of the eligible timberlands; or

(b) For eligible timberlands held by the taxpayer for at least an 11-year period beginning on or after January 1, 2005 but less than a 12-year period beginning on or after January 1, 2005, 2/15 of the gain recognized on the sale of the eligible timberlands~~;~~.

~~(c) For eligible timberlands held by the taxpayer for at least a 12-year period beginning on or after January 1, 2005 but less than a 13-year period beginning on or after January 1, 2005, 1/5 of the gain recognized on the sale of the eligible timberlands;~~

~~(d) For eligible timberlands held by the taxpayer for at least a 13-year period beginning on or after January 1, 2005 but less than a 14-year period beginning on or after January 1, 2005, 4/15 of the gain recognized on the sale of the eligible timberlands;~~

~~(e) For eligible timberlands held by the taxpayer for at least a 14-year period beginning on or after January 1, 2005 but less than a 15-year period beginning on or after January 1, 2005, 1/3 of the gain recognized on the sale of the eligible timberlands;~~

~~(f) For eligible timberlands held by the taxpayer for at least a 15-year period beginning on or after January 1, 2005 but less than a 16-year period beginning on or after January 1, 2005, 2/5 of the gain recognized on the sale of the eligible timberlands;~~

~~(g) For eligible timberlands held by the taxpayer for at least a 16-year period beginning on or after January 1, 2005 but less than a 17-year period beginning on or after January 1, 2005, 7/15 of the gain recognized on the sale of the eligible timberlands;~~

~~(h) For eligible timberlands held by the taxpayer for at least a 17-year period beginning on or after January 1, 2005 but less than an 18-year period beginning on or after January 1, 2005, 8/15 of the gain recognized on the sale of the eligible timberlands;~~

~~(i) For eligible timberlands held by the taxpayer for at least an 18-year period beginning on or after January 1, 2005 but less than a 19-year period beginning on or after January 1, 2005, 3/5 of the gain recognized on the sale of the eligible timberlands;~~

~~(j) For eligible timberlands held by the taxpayer for at least a 19-year period beginning on or after January 1, 2005 but less than a 20-year period beginning on or after January 1, 2005, 2/3 of the gain recognized on the sale of the eligible timberlands;~~

~~(k) For eligible timberlands held by the taxpayer for at least a 20-year period beginning on or after January 1, 2005 but less than a 21-year period beginning on or after January 1, 2005, 11/15 of the gain recognized on the sale of the eligible timberlands;~~

~~(l) For eligible timberlands held by the taxpayer for at least a 21-year period beginning on or after January 1, 2005 but less than a 22-year period beginning on or after January 1, 2005, 4/5 of the gain recognized on the sale of the eligible timberlands;~~

~~(m) For eligible timberlands held by the taxpayer for at least a 22-year period beginning on or after January 1, 2005 but less than a 23-year period beginning on or after January 1, 2005, 13/15 of the gain recognized on the sale of the eligible timberlands;~~

~~(n) For eligible timberlands held by the taxpayer for at least a 23-year period beginning on or after January 1, 2005 but less than a 24-year period beginning on or after January 1, 2005, 14/15 of the gain recognized on the sale of the eligible timberlands; or~~

~~(o) For eligible timberlands held by the taxpayer for at least a 24-year period beginning on or after January 1, 2005, all of the gain recognized on the sale of the eligible timberlands.~~

(3) Taxpayers claiming this credit must attach a sworn statement from a forester licensed pursuant to Title 32, chapter 76 that the timberlands for which the credit is claimed have been managed sustainably. For the purposes of this subparagraph, "sustainably" means that the timberlands for which the credit is claimed have been managed to protect soil productivity and to maintain or improve stand productivity and timber quality; known occurrences of threatened or endangered species and rare or exemplary natural communities; significant wildlife habitat and essential wildlife habitat; and water quality, wetlands and riparian zones.

Upon request of the State Tax Assessor, the Director of the Bureau of Forestry within the Department of Agriculture, Conservation and Forestry may provide assistance in determining whether timberlands for which the credit is claimed have been managed sustainably. When assistance is requested under this subparagraph, the director or the director's designee may enter and examine the timberlands for the purpose of determining whether the timberlands have been managed sustainably.

In the case of timberlands owned by an entity that is treated as a pass-through entity for income tax purposes, the land must be treated as eligible timberland if ownership and use of the land by the pass-through entity satisfies the requirements of this paragraph. If the owner of the eligible timberlands is an S corporation, the taxpayer must subtract the owner's pro rata share of the gain. If the owner of the timberlands is a partnership or limited liability company taxed as a partnership, the taxpayer must subtract the taxpayer's distributive share of the gain, subject to the percentage limitations provided in this paragraph.

This modification may not reduce Maine taxable income to less than zero. To the extent this modification results in Maine taxable income that is less than zero for the taxable year, the excess negative modification amount may be carried forward and applied as a subtraction modification for up to 10 taxable years. The entire amount of the excess negative modification must be carried to the earliest of the taxable years to which, by reason of this subsection, the negative modification may be carried and then to each of the other taxable years to the extent the unused negative modification is not used for a prior taxable year. Earlier carry-forward modifications must be used before newer modifications generated in later years<u>. Except for unused modifications carried forward to subsequent tax years, the subtraction modification allowed under this paragraph does not apply to tax years beginning on or after January 1, 2017</u>;

Sec. 12. 36 MRSA §5125, sub-§3, ¶C, as amended by PL 2015, c. 494, Pt. A, §45, is further amended to read:

C. Reduced by any amount of deduction attributable to income taxable to financial institutions under chapter 819; <u>and</u>

Sec. 13. 36 MRSA §5125, sub-§3, ¶D, as repealed and replaced by PL 2015, c. 494, Pt. A, §46, is amended to read:

D. Reduced by any amount attributable to interest or expenses incurred in the production of income exempt from tax under this Part~~; and~~<u>.</u>

Sec. 14. 36 MRSA §5125, sub-§3, ¶G, as enacted by PL 2015, c. 340, §3 and affected by §5, is repealed.

Sec. 15. 36 MRSA §5200-A, sub-§1, ¶X, as amended by PL 2011, c. 644, §20, is repealed.

Sec. 16. 36 MRSA §5200-A, sub-§1, ¶Z, as amended by PL 2015, c. 1, §8, is repealed.

Sec. 17. 36 MRSA §5200-A, sub-§2, ¶P, as amended by PL 2007, c. 539, Pt. CCC, §16; PL 2011, c. 657, Pt. W, §§5 and 7; and PL 2013, c. 405, Pt. A, §23, is further amended to read:

P. For income tax years beginning on or after January 1, 2015, the gain attributable to the sale of sustainably managed, eligible timberlands as calculated pursuant to this paragraph.

(1) As used in this paragraph, unless the context otherwise indicates, the following terms have the following meanings.

(a) "Commercial harvesting" or "commercially harvested" means the harvesting of forest products that have commercial value.

(b) "Eligible timberlands" means land of at least 10 acres located in the State and used primarily for the growth of trees to be commercially harvested. Land that would otherwise be included within this definition may not be excluded because of:

(i) Use of the land for multiple public recreation activities;

(ii) Statutory or governmental restrictions that prevent commercial harvesting of trees or require a primary use of the land other than commercial harvesting;

(iii) Deed restrictions, restrictive covenants or organizational charters that prevent commercial harvesting of trees or require a primary use of land other than commercial harvesting and that were effective prior to January 1, 1982; or

(iv) Past or present multiple use for mineral exploration.

(c) "Forest products that have commercial value" means logs, pulpwood, veneer, bolt wood, wood chips, stud wood, poles, pilings, biomass, fuel wood, Christmas trees, maple syrup, nursery products used for ornamental purposes, wreaths, bough material or cones or other seed products.

(d) "Sustainably managed" means:

(i) A forest management and harvest plan, as defined in section 573, subsection 3-A, has been prepared for the eligible timberlands and has been in effect for the entire time period used to compute the amount of the subtraction modification under this paragraph; and

(ii) The taxpayer has received a written statement from a licensed forester certifying that, as of the time of the sale, the eligible timberlands have been managed in accordance with the plan under subdivision (i) during that period.

(2) To the extent included in the taxpayer's taxable income under the laws of the United States, the taxable income of the taxpayer under the laws of the United States must be decreased by:

(a) For eligible timberlands held by the taxpayer for at least a 10-year period beginning on or after January 1, 2005 but less than an 11-year period beginning on or after January 1, 2005, 1/15 of the gain recognized on the sale of the eligible timberlands; or

(b) For eligible timberlands held by the taxpayer for at least an 11-year period beginning on or after January 1, 2005 but less than a 12-year period beginning on or after January 1, 2005, 2/15 of the gain recognized on the sale of the eligible timberlands~~;~~.

~~(c) For eligible timberlands held by the taxpayer for at least a 12-year period beginning on or after January 1, 2005 but less than a 13-year period beginning on or after January 1, 2005, 1/5 of the gain recognized on the sale of the eligible timberlands;~~

~~(d) For eligible timberlands held by the taxpayer for at least a 13-year period beginning on or after January 1, 2005 but less than a 14-year period beginning on or after January 1, 2005, 4/15 of the gain recognized on the sale of the eligible timberlands;~~

~~(e) For eligible timberlands held by the taxpayer for at least a 14-year period beginning on or after January 1, 2005 but less than a 15-year period beginning on or after January 1, 2005, 1/3 of the gain recognized on the sale of the eligible timberlands;~~

~~(f) For eligible timberlands held by the taxpayer for at least a 15-year period beginning on or after January 1, 2005 but less than a 16-year period beginning on or after January 1, 2005, 2/5 of the gain recognized on the sale of the eligible timberlands;~~

~~(g) For eligible timberlands held by the taxpayer for at least a 16-year period beginning on or after January 1, 2005 but less than a 17-year period beginning on or after January 1, 2005, 7/15 of the gain recognized on the sale of the eligible timberlands;~~

~~(h) For eligible timberlands held by the taxpayer for at least a 17-year period beginning on or after January 1, 2005 but less than an 18-year period beginning on or after January 1, 2005, 8/15 of the gain recognized on the sale of the eligible timberlands;~~

~~(i) For eligible timberlands held by the taxpayer for at least an 18-year period beginning on or after January 1, 2005 but less than a 19-year period beginning on or after January 1, 2005, 3/5 of the gain recognized on the sale of the eligible timberlands;~~

~~(j) For eligible timberlands held by the taxpayer for at least a 19-year period beginning on or after January 1, 2005 but less than a 20-year period beginning on or after January 1, 2005, 2/3 of the gain recognized on the sale of the eligible timberlands;~~

~~(k) For eligible timberlands held by the taxpayer for at least a 20-year period beginning on or after January 1, 2005 but less than a 21-year period beginning on or after January 1, 2005, 11/15 of the gain recognized on the sale of the eligible timberlands;~~

~~(l) For eligible timberlands held by the taxpayer for at least a 21-year period beginning on or after January 1, 2005 but less than a 22-year period beginning on or after January 1, 2005, 4/5 of the gain recognized on the sale of the eligible timberlands;~~

~~(m) For eligible timberlands held by the taxpayer for at least a 22-year period beginning on or after January 1, 2005 but less than a 23-year period beginning on or after January 1, 2005, 13/15 of the gain recognized on the sale of the eligible timberlands;~~

~~(n) For eligible timberlands held by the taxpayer for at least a 23-year period beginning on or after January 1, 2005 but less than a 24-year period beginning on or after January 1, 2005, 14/15 of the gain recognized on the sale of the eligible timberlands; or~~

~~(o) For eligible timberlands held by the taxpayer for at least a 24-year period beginning on or after January 1, 2005, all of the gain recognized on the sale of the eligible timberlands.~~

(3) Taxpayers claiming this credit must attach a sworn statement from a forester licensed pursuant to Title 32, chapter 76 that the timberlands for which the credit is claimed have been managed sustainably. For the purposes of this subparagraph, "sustainably" means that the timberlands for which the credit is claimed have been managed to protect soil productivity and to maintain or improve stand productivity and timber quality; known occurrences of threatened or endangered species and rare or exemplary natural communities; significant wildlife habitat and essential wildlife habitat; and water quality, wetlands and riparian zones.

Upon request of the State Tax Assessor, the Director of the Bureau of Forestry within the Department of Agriculture, Conservation and Forestry may provide assistance in determining whether timberlands for which the credit is claimed have been managed sustainably. When assistance is requested under this subparagraph, the director or the director's designee may enter and examine the timberlands for the purpose of determining whether the timberlands have been managed sustainably.

In the case of timberlands owned by an entity that is treated as a pass-through entity for income tax purposes, the land must be treated as eligible timberland if ownership and use of the land by the pass-through entity satisfies the requirements of this paragraph. If the owner of the eligible timberlands is an S corporation, the taxpayer must subtract the owner's pro rata share of the gain. If the owner of the timberlands is a partnership or limited liability company taxed as a partnership, the taxpayer must subtract the taxpayer's distributive share of the gain, subject to the percentage limitations provided in this paragraph.

This modification may not reduce Maine taxable income to less than zero. To the extent this modification results in Maine taxable income that is less than zero for the taxable year, the excess negative modification amount may be carried forward and applied as a subtraction modification for up to 10 taxable years. The entire amount of the excess negative modification must be carried to the earliest of the taxable years to which, by reason of this subsection, the negative modification may be carried and then to each of the other taxable years to the extent the unused negative modification is not used for a prior taxable year. Earlier carry-forward modifications must be used before newer modifications generated in later years. Except for unused modifications carried forward to subsequent tax years, the subtraction modification allowed under this paragraph does not apply to tax years beginning on or after January 1, 2017;

Sec. 18. 36 MRSA §5216-D, sub-§1, ¶A, as enacted by PL 2011, c. 380, Pt. HHHH, §3, is amended to read:

A. "Certificate" means a tax credit certificate issued by the Department of Inland Fisheries and Wildlife pursuant to former Title 12, chapter 903, subchapter 8.

Sec. 19. 36 MRSA §5216-D, sub-§2, as enacted by PL 2011, c. 380, Pt. HHHH, §3, is amended to read:

2. Credit. An investor is entitled to a credit against the tax otherwise due under this Part equal to the amount of the tax credit certificate issued by the Department of Inland

Fisheries and Wildlife in accordance with <u>former</u> Title 12, section 10331 and as limited by subsection 3. In the case of partnerships, limited liability companies, S corporations, nontaxable trusts and any other entities that are treated as pass-through entities for tax purposes under the Code, but not including pass-through entities taxed under chapter 819, the individual partners, members, stockholders, beneficiaries or equity owners of such entities must be treated as the investors under this section and are allowed a credit against the tax otherwise due from them under this Part in proportion to their respective interests in those partnerships, limited liability companies, S corporations, nontaxable trusts or other pass-through entities. Except as limited or authorized by subsection 3 or 4, 25% of the credit must be taken in the taxable year the investment is made and 25% per year must be taken in each of the next 3 taxable years.

Sec. 20. 36 MRSA §5216-D, sub-§7 is enacted to read:

<u>**7. Termination of credit.** Except for the credit allowed with respect to the carry-over of unused credit amounts pursuant to subsection 4, the tax credit allowed under this section is not available for tax years beginning on or after January 1, 2017.</u>

Sec. 21. 36 MRSA §5218-A, as enacted by PL 2015, c. 340, §4 and affected by §5, is repealed.

Sec. 22. 36 MRSA §5219-Y, as amended by PL 2011, c. 240, §37, is repealed.

Sec. 23. 36 MRSA §5219-FF, sub-§5 is enacted to read:

<u>**5. Termination of credit.** Except for the credit allowed with respect to the carry-over of unused credit amounts pursuant to subsection 4, the credit allowed under this section is not available for tax years beginning on or after January 1, 2017.</u>

Sec. 24. 36 MRSA §5219-NN, as enacted by PL 2015, c. 490, §8, is repealed.

Sec. 25. 36 MRSA §5219-NN, as enacted by PL 2015, c. 503, §1, is repealed.

Sec. 26. 36 MRSA §5283-A, sub-§1, as enacted by PL 2011, c. 685, §3, is repealed.

Sec. 27. 36 MRSA §5284, as amended by PL 2011, c. 685, §4, is repealed.

Sec. 28. 36 MRSA §5284-A, as amended by PL 2011, c. 685, §5, is repealed.

Sec. 29. 36 MRSA §5285, as amended by PL 2011, c. 685, §6, is repealed.

Sec. 30. 36 MRSA §5285-A, as amended by PL 2011, c. 685, §7, is repealed.

Sec. 31. 36 MRSA §5288-A, as amended by PL 2011, c. 685, §8, is repealed.

Sec. 32. 36 MRSA §5289, as amended by PL 2011, c. 685, §9, is repealed.

Sec. 33. 36 MRSA §5290, as amended by PL 2011, c. 685, §10, is repealed.

Sec. 34. 36 MRSA §5291, as enacted by PL 2011, c. 685, §11, is repealed.

Sec. 35. Application. Those sections of this Act that repeal the Maine Revised Statutes, Title 12, chapter 903, subchapter 8 and Title 36, section 191, subsection 2, paragraph BBB; section 5122, subsection 1, paragraphs EE, GG and KK; section 5125, subsection 3, paragraph G; section 5200-A, subsection 1, paragraphs X and Z; section 5218-A; section 5219-Y; section 5219-NN as enacted by Public Law 2015, chapter 503, section 1; section 5219-NN as enacted by Public Law 2015, chapter 490, section 8; section 5283-A, subsection 1; section 5284; section 5284-A; section 5285; section 5285-A; section 5288-A; section 5289; section 5290; and section 5291 and amend Title 5, section 13090-L, subsections 1, 3, 5 and 7; and Title 36, section 191, subsection 2, paragraph MM and section 5216-D, subsection 1, paragraph A and subsection 2 apply to tax years beginning on or after January 1, 2017.

Sec. 36. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Revenue Services, Bureau of 0002

Initiative: Eliminates funding for the Maine Military Family Relief Fund.

GENERAL FUND	**2017-18**	**2018-19**
Maine Military Family Relief Fund	($5,000)	($5,000)
GENERAL FUND TOTAL	($5,000)	($5,000)

SUMMARY

This bill does the following.

1. It repeals the Maine Fishery Infrastructure Tax Credit Program and terminates the availability of the corresponding tax credit and related individual and corporate income tax addition modifications for tax years beginning on or after January 1, 2017, except that unused credit amounts from prior tax years carried forward by the taxpayer may be used.

2. It terminates the availability of the tax credit for wellness programs and repeals the related income tax addition modifications for tax years beginning on or after January 1, 2017, except that unused credit amounts from prior tax years carried forward by the taxpayer may be used.

3. It repeals, for tax years beginning on or after January 1, 2017, the individual and corporate income tax subtraction modifications for gain attributable to the sale of eligible timberlands.

4. It repeals the tax credit for adult dependent care expenses and the related adjustment to Maine itemized deductions for tax years beginning on or after January 1, 2017.

5. It repeals the certified visual media production tax credit for tax years beginning on or after January 1, 2017 and removes related cross-references to that credit.

6. It repeals the tax credit for modifications to a homestead to make it accessible to an individual with a disability or physical hardship for tax years beginning on or after January 1, 2017 and removes a related cross-reference to that credit.

7. It repeals the tax credit for disability income protection plans in the workplace for tax years beginning on or after January 1, 2017 and removes related cross-references to that credit.

8. It repeals the voluntary charitable contribution checkoffs, and the requirement that the State Tax Assessor include the checkoffs on the tax form, for the Maine Endangered and Nongame Wildlife Fund, the Companion Animal Sterilization Fund, the Maine Children's Trust Incorporated, the Bone Marrow Screening Fund, the Maine Military Family Relief Fund, the Maine Veterans' Memorial Cemetery Maintenance Fund, the Maine Asthma and Lung Disease Research Fund and the Maine Public Library Fund from Maine individual income tax forms for tax years beginning on or after January 1, 2017 and eliminates funding for the Maine Military Family Relief Fund due to the elimination of the checkoff for that fund. The checkoff for the Maine Clean Election Fund is not affected by this bill.