

MAINE STATE LEGISLATURE

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Date: 6/11/19

Majority

L.D. 1698
(Filing No. H-552)

TAXATION

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
129TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1213, L.D. 1698, Bill, "An Act To Create Jobs and Slow Climate Change by Promoting the Production of Natural Resources Bioproducts"

Amend the bill by inserting after the enacting clause and before section 1 the following:

Sec. 1. 36 MRSA §191, sub-§2, ¶HHH is enacted to read:

HHH. The disclosure of information to the Department of Economic and Community Development necessary for administration of the renewable chemicals tax credit pursuant to section 5219-VV.'

Amend the bill in section 2 in §5219-VV in subsection 1 in paragraph C by striking out all of subparagraph (4) (page 1, lines 25 to 32 in L.D.) and inserting the following:

'(4) Is not sold or used for production of any food, feed or fuel, except that "renewable chemical" may include:

(a) Cellulosic sugars used to produce aquaculture feed; and

(b) A food additive, supplement, vitamin, nutraceutical or pharmaceutical that does not provide caloric value and is not considered food or feed.'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment includes a provision permitting the Department of Administrative and Financial Services, Maine Revenue Services to provide to the Department of Economic and Community Development information necessary for administration of the

COMMITTEE AMENDMENT

R O F S

COMMITTEE AMENDMENT "A" to H.P. 1213, L.D. 1698

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renewable chemicals tax credit and strikes language that would create an overlap of the renewable chemicals tax credit and the credit for the commercial production and use of biofuels.

FISCAL NOTE REQUIRED

(See attached)



129th MAINE LEGISLATURE

LD 1698

LR 1741(02)

An Act To Create Jobs and Slow Climate Change by Promoting the Production of Natural Resources Bioproducts

Fiscal Note for Bill as Amended by Committee Amendment

A (H-552)

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

Potential current biennium cost increase - General Fund

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	\$0	\$0	\$15,200	\$26,600
Revenue				
General Fund	\$0	\$0	(\$15,200)	(\$26,600)
Other Special Revenue Funds	\$0	\$0	(\$800)	(\$1,400)

Fiscal Detail and Notes

The bill provides an income tax credit for the production of renewable chemicals by the conversion of renewable biomass from the forest, farms, the sea or solid waste and would result in a reduction in General Fund revenue of \$15,200 in fiscal year 2021-22. It would also result in a reduction in Local Government Fund revenue of \$800 in fiscal year 2021-22.

Depending on the number of companies that take advantage of the income tax credit, the Department of Economic and Community Development may require additional staff to implement the requirements associated with the tiered tax credit. If necessary, the department will submit the request for a position to the 129th Legislature during the second regular session.