

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)

McGILL

GAL
ROS

L.D. 2030

2

Date: 4/14/22

(Filing No. H- 1015)

3

Majority
TAXATION

4

Reproduced and distributed under the direction of the Clerk of the House.

5

STATE OF MAINE

6

HOUSE OF REPRESENTATIVES

7

130TH LEGISLATURE

8

SECOND REGULAR SESSION

9

COMMITTEE AMENDMENT "A" to H.P. 1512, L.D. 2030, "An Act Regarding
10 Taxation of Energy Storage Facilities and Equipment"

11

Amend the bill by striking out everything after the enacting clause and inserting the
12 following:

13

'Sec. 1. 36 MRSA §1760, sub-§112 is enacted to read:

14

112. Battery energy storage system. Beginning January 1, 2023 and ending
15 December 31, 2025, sale of a battery energy storage system with a capacity of 50
16 megawatts or greater that will be located at a single site in the State, as evidenced by the
17 applicable interconnection agreement governing the battery energy storage system, and the
18 sale of parts and accessories that are integral to such a battery energy storage system. For
19 the purposes of this subsection, "energy storage system" means commercial machinery and
20 equipment that is capable of absorbing energy, storing the energy for a period of time and
21 discharging the energy after it has been stored.

22

Sec. 2. Governor's Energy Office; energy storage tax incentive report. The
23 Governor's Energy Office shall examine the role of existing and potential tax incentives in
24 achieving the objectives established in the Maine Revised Statutes, Title 35-A, section
25 3145 and shall provide a report on these matters to the joint standing committee of the
26 Legislature having jurisdiction over energy, utilities and technology matters by March 15,
27 2023. The report must include a review of tax incentives for energy storage available from
28 the Federal Government and in other states and must include input from interested
29 stakeholders. The report must also be provided to the joint standing committee of the
30 Legislature having jurisdiction over taxation matters if recommendations regarding
31 taxation policy are included. The joint standing committee of the Legislature having
32 jurisdiction over energy, utilities and technology matters is authorized to report out
33 legislation related to the report to the First Regular Session of the 131st Legislature. Upon
34 written request, the Public Utilities Commission and the Department of Administrative and
35 Financial Services, Maine Revenue Services shall provide to the office information and
36 assistance requested related to the report.'

COMMITTEE AMENDMENT

ROS
2

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

3

SUMMARY

4

This amendment removes from the bill the provision relating to the business equipment tax exemption, provides an end date of December 31, 2025 to the sales tax exemption for battery energy storage systems and clarifies the definition of the exempt equipment. The amendment also requires the Governor's Energy Office to review the role of tax incentives in encouraging growth in energy storage capacity in the State and report the results of its review to the joint standing committee of the Legislature having jurisdiction over energy, utilities and technology matters by March 15, 2023.

5

6

7

8

9

10

11

FISCAL NOTE REQUIRED

12

(See attached)



130th MAINE LEGISLATURE

LD 2030

LR 2676(02)

An Act Regarding Taxation of Energy Storage Facilities and Equipment

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-1015)

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)				
General Fund	\$0	\$1,961,750	\$2,802,500	\$840,750
Revenue				
General Fund	\$0	(\$1,961,750)	(\$2,802,500)	(\$840,750)
Other Special Revenue Funds	\$0	(\$103,250)	(\$147,500)	(\$44,250)

Fiscal Detail and Notes

The bill provides a sales tax exemption for certain energy storage equipment and will reduce General Fund revenue and Local Government Fund revenue by \$1,961,750 and \$103,250, respectively, in fiscal year 2022-23.

Any additional costs to various departments and agencies from the provisions in this bill are expected to be minor and can be absorbed within existing budgeted resources.