

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND TWELFTH LEGISLATURE

SECOND REGULAR SESSION
January 8, 1986 to April 16, 1986

SECOND SPECIAL SESSION
May 28, 1986 to May 30, 1986

AND AT THE

THIRD SPECIAL SESSION
October 17, 1986

PUBLISHED BY THE DIRECTOR OF REVISOR OF STATUTES IN
ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

J.S. McCarthy Co., Inc.
Augusta, Maine

PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED AT THE
SECOND REGULAR SESSION
of the
ONE HUNDRED AND TWELFTH LEGISLATURE
1985

in cash in the amount of 25% of the office distribution.

Effective July 16, 1986.

CHAPTER 766

H.P. 1310 - L.D. 1826

AN ACT to Increase the Maine Child Care Credit Under the State Income Tax.

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

Sec. 1. 36 MRSA §5127, sub-§2, as repealed and replaced by PL 1977, c. 424, §1, is amended to read:

2. Income tax credit for child care expenses. A resident individual shall be allowed a credit against the tax otherwise due under this Part in the amount of ~~15%~~ 16% of the federal tax credit allowable for child care expenses in tax year 1986; 20% of the federal tax credit allowable for child care expenses in tax year 1987; and 25% of the federal tax credit allowable for child care expenses thereafter. In no case will this credit reduce the Maine income tax to less than zero.

Sec. 2. 36 MRSA §5146, as enacted by PL 1977, c. 424, §2, is amended to read:

§5146. Child care credit

A nonresident individual shall be allowed a credit against the tax otherwise due under this Part in the amount of ~~15%~~ 16% of the federal tax credit allowable for child care expenses in tax year 1986; 20% of the federal tax credit allowable for child care expenses in tax year 1987; and 25% of the federal tax credit allowable for child care expenses thereafter, except that this credit shall be limited by the percentage that his Maine adjusted gross income bears to his federal adjusted gross income. In no case will this credit reduce the Maine income tax to less than zero.

Sec. 3. Allocation. The following funds are allocated from the Local Government Fund to carry out the purposes of this Act.

1986-87

TREASURER OF STATE, OFFICE OF

| | |
|---------------------------------|-----------|
| State-municipal Revenue Sharing | |
| All Other | \$(3,767) |

Sec. 4. Application. This Act shall apply to tax years beginning on or after January 1, 1986.

Effective July 16, 1986.

CHAPTER 767

H.P. 1555 - L.D. 2193

AN ACT to Phase Out the Sales and Use Tax on Energy Used in Manufacturing.

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

Sec. 1. 36 MRSA §1752, sub-§6-A is enacted to read:

6-A. Manufacturing facility. "Manufacturing facility" means a site at which is located machinery and equipment used directly and primarily in the production of tangible personal property intended to be sold or leased ultimately for final use or consumption. It includes the machinery and equipment and all machinery, equipment, structures and facilities located at the site and used in support of production or associated with the production.

Sec. 2. 36 MRSA §1752, sub-§11, as amended by PL 1985, c. 276, §2, is further amended to read:

11. Retail sale or sale at retail. "Retail sale" or "sale at retail" means any sale of tangible personal property, in the ordinary course of business, for consumption or use, or for any purpose other than for resale, except resale as a casual sale, in the form of tangible personal property, any rental of living quarters in any hotel, rooming house, tourist or trailer camp, any rental of automobiles on a