

# MAINE STATE LEGISLATURE

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**LAWS**  
**OF THE**  
**STATE OF MAINE**

**AS PASSED BY THE**  
**ONE HUNDRED AND SEVENTEENTH LEGISLATURE**

**FIRST SPECIAL SESSION**  
**November 28, 1995 to December 1, 1995**

**SECOND REGULAR SESSION**  
**January 3, 1996 to April 4, 1996**

**THE GENERAL EFFECTIVE DATE FOR**  
**FIRST REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**JULY 4, 1996**

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

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**J.S. McCarthy Company**  
**Augusta, Maine**  
**1995**

## CHAPTER 641

H.P. 1212 - L.D. 1662

**An Act to Correct a Technical Error  
Relating to the Research Expense  
Tax Credit**

**Emergency preamble.** Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

**Whereas,** delay in making a technical change to Maine's new research expense tax credit would make that credit worthless for the majority of taxpayers; and

**Whereas,** legislative action is immediately necessary in order to ensure that the original intent behind the research expense tax credit is fulfilled; and

**Whereas,** in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**Sec. 1. 36 MRSA §5122, sub-§1, ¶G,** as amended by PL 1995, c. 368, Pt. GGG, §1, is further amended to read:

G. Pick-up contributions paid by the taxpayer's employer on the taxpayer's behalf to the Maine State Retirement System as defined in Title 5, section 17001, subsection 28-A; and

**Sec. 2. 36 MRSA §5122, sub-§1, ¶H,** as amended by PL 1995, c. 368, Pt. GGG, §2, is further amended to read:

H. The absolute value of the amount of any net operating loss arising from tax years beginning on or after January 1, 1989, but before January 1, 1993, that arises from an S Corporation with total assets for the year of at least \$1,000,000 and that pursuant to the United States Internal Revenue Code, Section 172 is being carried back for federal income tax purposes to the taxable year by the taxpayer; and.

**Sec. 3. 36 MRSA §5122, sub-§1, ¶I,** as enacted by PL 1995, c. 368, Pt. GGG, §3, is repealed.

**Sec. 4. 36 MRSA §5200-A, sub-§1, ¶H,** as amended by PL 1995, c. 368, Pt. GGG, §4, is further amended to read:

H. The absolute value of the amount of any net operating loss arising from tax years beginning on or after January 1, 1989 but before January 1, 1993 that, pursuant to the United States Internal Revenue Code, Section 172, is being carried back for federal income tax purposes to the taxable year by the taxpayer; and

**Sec. 5. 36 MRSA §5200-A, sub-§1, ¶I,** as amended by PL 1995, c. 368, Pt. GGG, §5, is further amended to read:

I. Interest or dividends on obligations or securities of any state or of a political subdivision or authority, other than this State and its political subdivisions and authorities; and.

**Sec. 6. 36 MRSA §5200-A, sub-§1, ¶J,** as enacted by PL 1995, c. 368, Pt. GGG, §6, is repealed.

**Sec. 7. Application.** This Act applies to any tax year beginning on or after January 1, 1996.

**Emergency clause.** In view of the emergency cited in the preamble, this Act takes effect when approved.

Effective April 10, 1996.

## CHAPTER 642

H.P. 1222 - L.D. 1672

**An Act to Amend Certain Laws  
Administered by the Department of  
Environmental Protection**

**Emergency preamble.** Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

**Whereas,** certain lakes may experience severe algae bloom conditions that can not be controlled through known restoration methods rendering them unfit for drinking water and recreational purposes; and

**Whereas,** temporary treatments to alleviate these bloom conditions may need to be made before the 90-day term following adjournment; and

**Whereas,** in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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