

MAINE STATE LEGISLATURE

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*State Of Maine
120th Legislature*

Second Regular Session

Bill Summaries

*Joint Standing Committee
on
Taxation*

May 2002

Members:

*Sen. Kenneth T. Gagnon, Chair
Sen. Kenneth F. Lemont
Sen. Richard Kneeland*

*Rep. Bonnie Green, Chair
Rep. Stephen S. Stanley
Rep. Rosita Gagne*

*Rep. Joseph C. Perry
Rep. Bernard E. McGowan
Rep. Janet L. McLaughlin
Rep. Eleanor M. Murphy
Rep. John T. Buck
Rep. Randall L. Bumps
Rep. David E. Bowles*

Staff:

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Maine State Legislature
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120th Legislature
Second Regular Session

Summary Of Legislation Before The Joint Standing Committees
May 2002

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing select committees of the Maine Legislature this past session.

The document is organized for convenient reference to information on bills considered by the committees. It is arranged alphabetically by committee name and within committees by bill (LD) number.

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

- CON RES XXX..... Chapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE..... Committee of Conference unable to agree; bill died
DIED BETWEEN BODIES..... House & Senate disagree; bill died
DIED IN CONCURRENCE..... One body accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT..... Action incomplete when session ended; bill died
EMERGENCY..... Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL PASSAGE..... Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE..... Bill failed to get majority vote
FAILED MANDATE ENACTMENT..... Bill imposing local mandate failed to get 2/3 vote
NOT PROPERLY BEFORE THE BODY..... Ruled out of order by the presiding officers; bill died
INDEF PP..... Bill Indefinitely Postponed
ONTP..... Ought Not To Pass report accepted
OTP ND..... Committee report Ought To Pass In New Draft
OTP ND/NT..... Committee report Ought To Pass In New Draft/New Title
P&S XXX..... Chapter # of enacted Private & Special Law
PASSED..... Joint Order passed in both bodies
PUBLIC XXX..... Chapter # of enacted Public Law
RESOLVE XXX..... Chapter # of finally passed Resolve
UNSIGNED..... Bill held by Governor
VETO SUSTAINED..... Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is July 25, 2002.

Patrick T. Norton, Interim Director
Offices located in Room 215 of the Cross Office Building

Joint Standing Committee on Taxation

Enacted Law Summary:

Public Law 2001, chapter 669 reorganizes, clarifies and makes minor substantive changes to the laws relating to municipal development districts and tax increment financing districts.

LD 2012

An Act to Expand the Maine Seed Capital Tax Credit Program

PUBLIC 642

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TESSIER TURNER	OTP-AM	H-1014

LD 2012 proposed to modify the Maine Seed Capital Tax Credit Program by increasing the tax credit available for investments in businesses located in areas of the State with high unemployment. The bill also proposed to encourage the investment of private capital by allowing investors to obtain a tax credit on investments of up to \$500,000 per company, an increase from \$200,000 per company, and allowing each company to receive up to \$5,000,000 in investments for which investors may receive tax credits, up from \$1,000,000. The bill proposed to allow the tax credit to be taken over 4 years, rather than 7 years.

Committee Amendment “A” (H-1014) proposed to add a provision increasing to 60% the seed capital tax credit available for investments in eligible private venture capital funds that invest in eligible businesses in designated high unemployment areas. The amendment proposed to add the seed capital investment tax credit to the list of economic development incentives subject to reporting requirements.

Enacted Law Summary:

Public Law 2001, chapter 642 modifies the Maine Seed Capital Tax Credit Program administered by the Finance Authority of Maine by increasing the tax credit available for investments in businesses located in areas of the State with high unemployment or for investments in private venture capital funds with investments in businesses in those areas. The Act allows investors to obtain a tax credit on investments of up to \$500,000 per company, an increase from \$200,000 per company, and allows each company to receive up to \$5,000,000 in investments for which investors may receive tax credits, up from \$1,000,000. The Act also adds the seed capital investment credit to the list of economic development incentives subject to reporting requirements.

LD 2044

Resolve, to Require Agencies to Provide a List of Certain Paperwork Required of Maine Businesses

RESOLVE 111

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SULLIVAN BROMLEY	OTP-AM	H-1016 S-592 GOLDTHWAIT

LD 2044 proposed to direct the Department of Administrative and Financial Services, Bureau of Revenue Services to determine ways to reduce duplicative filings that are required of businesses in Maine and to report its findings to the 121st Legislature.