

MAINE STATE LEGISLATURE

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STATE OF MAINE
124TH LEGISLATURE
SECOND REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed during
the Second Regular Session of the 124th Maine Legislature coming from the

JOINT STANDING COMMITTEE ON TAXATION

April 2010

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STATE OF MAINE

124TH LEGISLATURE
SECOND REGULAR SESSION



LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the Second Regular Session of the 124th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter 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:

<i>CARRIED OVER</i>	<i>Carried over to a subsequent session of the Legislature</i>
<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN HOUSES</i>	<i>House & Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i>	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i>	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed; bill died</i>
<i>ONTP (or Accepted ONTP report)</i>	<i>Ought Not To Pass report accepted; bill died</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</i>
<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i>	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>

The effective date for non-emergency legislation enacted in the Second Regular Session of the 124th Legislature is Monday, July 12, 2010. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

Joint Standing Committee on Taxation

LD 1449

An Act To Expand Tax Incentives for Visual Media Productions

PUBLIC 470

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WATSON RECTOR	OTP-AM	H-598

This bill was carried over from the First Regular Session. It makes changes to the State's tax incentives for attracting visual media productions. The existing income tax credit and reimbursement for certain production wages are replaced with a refundable income tax credit that is a percentage of direct production expenditures in the State. Eligible productions that are certified by the Department of Economic and Community Development with expenditures of more than \$50,000 but less than \$750,000 are eligible for an income tax credit of 10% of expenditures or 15% if the production company has been incorporated in the State for at least two years. An eligible production company with eligible expenses of \$750,000 or more is eligible for a base credit of 20% of eligible expenditures with incremental increases if the company hires at least 15% of its cast and crew in the State, spends at least 25% of the project time in certain counties or participates in an internship program overseen by the Department of Economic and Community Development, Office of Tourism, Maine State Film Office. The Finance Authority of Maine is directed to establish a low-interest loan program for eligible visual media production companies with production expenses of \$750,000 or greater.

Committee Amendment "B" (H-598)

This amendment replaces the bill. It modifies the existing income tax credit by changing the calculation of the credit to 5% of the expenses incurred for a single certified visual media production with expenses of \$75,000 or more. It changes the reimbursement for certain production wages by limiting it to wages that do not exceed \$50,000 per individual, by including leased employees and by applying the reimbursement to a single certified visual media production rather than several projects over a specified period of time. Eligible productions must be certified by the Department of Economic and Community Development, Office of Tourism, Maine State Film Office, which reports annually to the joint standing committee of the Legislature having jurisdiction over taxation matters on the implementation of the credit and reimbursement program. The credits are subject to audit by the State Tax Assessor. The amendment clarifies that visual media productions under the Maine Revised Statutes, Title 5, section 13090-L are eligible for the Maine Seed Capital Tax Credit Program under Title 10, chapter 110, subchapter 9.

Enacted Law Summary

Public Law 2009, chapter 470 modifies the existing income tax credit, which provides incentives for attracting visual media productions, by changing the calculation of the credit to 5% of the expenses incurred for a single certified visual media production with expenses of \$75,000 or more. It changes the reimbursement for certain production wages by limiting it to wages that do not exceed \$50,000 per individual, by including leased employees and by applying the reimbursement to a single certified visual media production rather than several projects over a specified period of time. Eligible productions must be certified by the Department of Economic and Community Development, Office of Tourism, Maine State Film Office, which reports annually to the joint standing committee of the Legislature having jurisdiction over taxation matters on the implementation of the credit and reimbursement program. The credits are subject to audit by the State Tax Assessor. Visual media productions are eligible for the Maine Seed Capital Tax Credit Program under Title 10, chapter 110, subchapter 9. Public Law 2010, chapter 625 (LD 1540) clarifies that this law applies to certificates issued on or after January 1, 2010.