

# 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 electronic originals  
(may include minor formatting differences from printed original)

**STATE OF MAINE**  
130<sup>TH</sup> LEGISLATURE  
FIRST REGULAR AND FIRST SPECIAL SESSIONS



Disposition of bills and summaries of all laws enacted or finally passed

**JOINT STANDING COMMITTEE ON  
TAXATION**

December 2021

**STAFF:**

JULIE JONES, SR. LEGISLATIVE ANALYST  
OFFICE OF FISCAL AND PROGRAM REVIEW  
5 STATE HOUSE STATION  
AUGUSTA, ME 04333  
(207) 287-1635  
<http://legislature.maine.gov/ofpr/>

**MEMBERS:**

SEN. BENJAMIN M. CHIPMAN, CHAIR  
SEN. NATHAN L. LIBBY  
SEN. MATTHEW POULIOT

REP. MAUREEN TERRY, CHAIR  
REP. BENJAMIN T. COLLINGS  
REP. LORI K. GRAMLICH  
REP. ANN HIGGINS MATLACK  
REP. JOSEPH C. PERRY, SR.  
REP. MELANIE F. SACHS  
REP. THEODORE JOSEPH KRYZAK, JR.  
REP. BRUCE A. BICKFORD  
REP. JEFFREY P. HANLEY  
REP. MELDON H. CARMICHAEL

## JOINT STANDING COMMITTEE ON TAXATION

Part E clarifies and simplifies the corporate income tax law by establishing clearly defined, objective nexus thresholds as a practical structure for the current general "economic nexus" standard. These so-called factor presence thresholds clarify the minimum thresholds that, when exceeded by a corporation, subject that corporation to the Maine corporate income tax. In addition, the new thresholds create a safe harbor for corporations with little activity within the State that nonetheless have nexus under current law due to a small, but greater than de minimis, physical presence in the State. The new thresholds are \$250,000 of property, \$250,000 in payroll or \$500,000 in sales in Maine, or 25% of total property, payroll or sales in Maine, as determined under Title 36, chapter 821. The thresholds apply to tax years beginning on or after January 1, 2022.

### **LD 1468 An Act To Support All-terrain Vehicle Trail Improvement**

#### **ENACTED LAW SUMMARY**

Public Law 2021, chapter 446 provides that 90% of the sales tax on the rental of all-terrain vehicles must be transferred to the ATV Recreational Management Fund administered by the Department of Agriculture, Conservation and Forestry and 10% of the revenue must be transferred to the Multimodal Transportation Fund administered by the Department of Transportation.

### **LD 1651 An Act To Support Working Families through Outreach and Education about Tax Credits for Persons of Low Income**

#### **ENACTED LAW SUMMARY**

Public Law 2021, chapter 479 provides eligibility for the earned income tax credit to individuals who are immigrants who file federal income tax returns using a federally assigned individual taxpayer identification number. Chapter 479 also provides ongoing funds of \$36,500 per year beginning in fiscal year 2021-22 to the New Ventures Maine program within the University of Maine System for a statewide collaboration of nonprofit and for-profit partners to provide free volunteer tax assistance, including the filing of state tax returns; outreach to low-income individuals and families about federal and state tax credits; financial education, connections to financial services and other resources; education for providers and volunteers; and statewide data collection. The law also requires the New Ventures Maine program to submit an annual report describing its activities in the previous calendar year in providing tax assistance to low-income individuals and families.