

MAINE STATE LEGISLATURE

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STATE OF MAINE
130TH 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

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JOINT STANDING COMMITTEE ON TAXATION

LD 1713 An Act To Revitalize Maine's Paper Industry through the Establishment of an Income Tax Credit for Paper Manufacturing

ENACTED LAW SUMMARY

Public Law 2021, chapter 482 provides a refundable income tax credit for tax years beginning on or after January 1, 2024 for a paper manufacturer that:

1. Makes qualifying investments from January 1, 2021 to December 31, 2025 of at least \$15,000,000 to acquire, modernize or improve the machinery used for the production of paper products at paper manufacturing facilities in this State;
2. Employs at least 400 qualified employees at a paper manufacturing facility in this State, at least 75% of whom earn at least 115% of the most recent annual per capita personal income in the county in which the qualified employee is employed;
3. Has not received for prior investments a federal new markets tax credit or a state new markets capital investments tax credit;
4. Does not receive a Maine new markets capital investment credit, Pine Tree Development Zone benefits for the same investment or benefits under the Maine Employment Tax Increment Financing Program; and
5. Is headquartered or will be headquartered in this State.

The refundable credit is equal to 4% of the qualified investment per year for 10 years, subject to certain limitations, such as a cap of \$40,000,000 on the total investment eligible for the credit for all taxpayers and a limit of \$1,600,000 on the aggregate credits claimed each year.

Public Law 2021, chapter 482 was subsequently amended through the enactment of Public Law 2021, chapter 485 (LD 17370).