

126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 1109

H.P. 778

House of Representatives, March 19, 2013

An Act To Clarify the Maine New Markets Capital Investment Program Tax Credit

(EMERGENCY)

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. Macfarland MILLICENT M. MacFARLAND Clerk

Presented by Representative STANLEY of Medway.
Cosponsored by Senator THOMAS of Somerset and
Representatives: GIFFORD of Lincoln, GOODE of Bangor, TURNER of Burlington, Senators:
HASKELL of Cumberland, JACKSON of Aroostook, SHERMAN of Aroostook.

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

Whereas, the 125th Legislature enacted the Maine New Markets Capital Investment Program to stimulate capital investment in distressed areas of the State; and

Whereas, investors seeking to make investments under the Maine New Markets Capital Investment Program require a high degree of clarity regarding the conditions on which tax credits may be available; and

Whereas, there are interested investors unwilling to make investments that will support construction of manufacturing facilities and the creation or retention of jobs due to the ambiguity of certain terms used in the Maine New Markets Capital Investment Program; and

Whereas, it is imperative that this legislation take effect immediately to allow for investments to be made in the spring of 2013; 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:

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Sec. 1. 36 MRSA §5219-HH, sub-§1, ¶J, as amended by PL 2011, c. 657, Pt. P, §1, is further amended to read:

"Qualified low-income community investment" means any capital or equity investment in, or loan to, any qualified active low-income community business made after September 28, 2011. Except as otherwise provided in this paragraph, with respect to any one qualified active low-income community business, the maximum amount of qualified low-income community investments that may be made in the business, on a collective basis with all of its affiliates, with the proceeds of qualified equity investments that have been certified under Title 10, section 1100-Z, subsection 3, paragraph G is \$10,000,000 whether made by one or several qualified community development entities. With respect to investments in a qualified active low-income community business that is a manufacturing or value-added production enterprise that projects to create or retain more than 200 jobs, the limit on the qualified low-income community investment is \$40,000,000 per project constructed, maintained or operated by the qualified active low-income community business. For the purposes of this paragraph, "project" means a manufacturing or value-added production enterprise facility, including the land, buildings, structures, machinery and equipment functionally related to and integrated with the manufacturing or production process conducted at that facility.

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

1	SUMMARY
2	This bill amends the laws governing the Maine New Markets C
3	Program tax credit to clarify that the limitation on the amount of invest
4	made with respect to certain qualified active low-income commun

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This bill amends the laws governing the Maine New Markets Capital Investment
Program tax credit to clarify that the limitation on the amount of investment that may be
made with respect to certain qualified active low-income community businesses is
\$40,000,000 per project constructed, maintained or operated.