

STATE OF MAINE

—  
IN THE YEAR OF OUR LORD  
TWO THOUSAND TWENTY-ONE

—  
S.P. 97 - L.D. 229

**An Act To Increase Investment Caps in the Maine Seed Capital Tax Credit Program**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 10 MRSA §1100-T, sub-§2, ¶C**, as amended by PL 2019, c. 616, Pt. LL, §2, is further amended to read:

C. Aggregate investment eligible for tax credits may not be more than \$5,000,000 for any one business as of the date of issuance of a tax credit certificate. Beginning with investments made on or after April 1, 2020, aggregate investment eligible for tax credits may not be more than \$3,500,000 for any one business as of the date of issuance of a tax credit certificate and not more than \$2,000,000 for any calendar year. Notwithstanding the other provisions of this paragraph, with respect to a business that was approved by the authority as an eligible business under this subsection before April 1, 2020, the aggregate investment eligible for tax credits may not be more than \$5,000,000 for that business as of the date of the issuance of the tax credit certificate, and the \$2,000,000 annual limitation does not apply.

**Sec. 2. 10 MRSA §1100-T, sub-§2-C, ¶C**, as amended by PL 2019, c. 616, Pt. LL, §7, is further amended to read:

C. Aggregate investment eligible for tax credit certificates, including investments under this subsection and under subsection 2, may not be more than \$5,000,000 for any one eligible business. Beginning with investments made on or after April 1, 2020, aggregate investment eligible for tax credit certificates, including investments under this subsection and under subsection 2, may not be more than \$3,500,000 for any one eligible business in total and not more than \$2,000,000 for any calendar year. Notwithstanding the other provisions of this paragraph, with respect to a business that was approved by the authority as an eligible business under this subsection before April 1, 2020, the aggregate investment eligible for tax credits may not be more than \$5,000,000 for that business as of the date of the issuance of the tax credit certificate, and the \$2,000,000 annual limitation does not apply.

**Sec. 3. 10 MRSA §1100-T, sub-§2-C, ¶D**, as amended by PL 2019, c. 616, Pt. LL, §8, is further amended to read:

D. The investment with respect to which any private venture capital fund is applying for a tax credit certificate may not be more than the lesser of an amount equal to \$500,000 times the number of investors in the private venture capital fund and an aggregate of \$4,000,000 in any one eligible business invested in by a private venture capital fund in any 3 consecutive calendar years. For investments made on or after April 1, 2020, the investment with respect to which any private venture capital fund is applying for a tax credit certificate may not be more than the lesser of an amount equal to \$500,000 times the number of investors in the private venture capital fund and an aggregate of \$3,500,000 in any one eligible business invested in by a private venture capital fund, but investments in a business that was approved by the authority as an eligible business under this subsection before April 1, 2020 with respect to which any private venture capital fund is applying for a tax credit certificate may not be more than the lesser of an amount equal to \$500,000 times the number of investors in the private venture capital fund and an aggregate of \$4,000,000 for that eligible business. This paragraph does not limit other investment by an applicant for which that applicant is not applying for a tax credit certificate. A private venture capital fund must certify to the authority that it will be in compliance with these limitations. The tax credit certificate issued to a private venture capital fund may be revoked and any credit taken recaptured pursuant to Title 36, section 5216-B, subsection 5 if the fund is not in compliance with this paragraph.

**Sec. 4. 10 MRSA §1100-T, sub-§4**, as amended by PL 2019, c. 616, Pt. LL, §9, is further amended to read:

**4. Total of credits authorized.** The authority may issue tax credit certificates to investors eligible pursuant to subsections 2, 2-A and 2-C in an aggregate amount not to exceed \$2,000,000 up to and including calendar year 1996, \$3,000,000 up to and including calendar year 1997, \$5,500,000 up to and including calendar year 1998, \$8,000,000 up to and including calendar year 2001, \$11,000,000 up to and including calendar year 2002, \$14,000,000 up to and including calendar year 2003, \$17,000,000 up to and including calendar year 2004, \$20,000,000 up to and including calendar year 2005, \$23,000,000 up to and including calendar year 2006, \$26,000,000 up to and including calendar year 2007 and \$30,000,000 up to and including calendar year 2013, in addition to which, the authority may issue tax credit certificates to investors eligible pursuant to subsections 2, 2-A and 2-C in an annual amount not to exceed \$675,000 for investments made between January 1, 2014 and December 31, 2014, \$4,000,000 for investments made in calendar year 2015, \$5,000,000 for investments made in calendar years 2016 to 2019, \$15,000,000 for investments made in calendar year 2020, \$13,500,000 for investments made in calendar years 2021 and 2022, \$15,000,000 for investments made in calendar years ~~2020~~ 2023 to 2026 and \$5,000,000 each year for investments made in calendar years beginning with 2027. The authority may provide that investors eligible for a tax credit under this section in a year when there is insufficient credit available are entitled to take the credit when it becomes available subject to limitations established by the authority by rule. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.