

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Reduce the Cost of Permitting of Business Development**

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

**Sec. 1. 36 MRSA §5219-DD** is enacted to read:

### **§ 5219-DD. Environmental permitting credit**

**1. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings:

A. "Environmental permit" means a license or permit issued under:

(1) The waste discharge license laws, Title 38, section 413;

(2) The Natural Resources Protection Act;

(3) The site location of development laws, Title 38, chapter 3, subchapter 1, article 6; or

(4) Air permitting programs under Title 38, chapter 4.

B. "New assessed value" means the amount of new taxable value, not including land, that is constructed and in use during the year following the year in which an environmental permit is issued.

C. "Qualifying expenditures" means expenditures for the preparation and submission of information required by the Department of Environmental Protection to demonstrate eligibility for an environmental permit including natural resource inventories, water quality studies, predevelopment ambient air monitoring and modeling, wildlife population and habitat studies and hydrological studies. "Qualifying expenditures" does not include engineering studies, site surveying, feasibility studies, economic analyses, design engineering, preparation of permit applications, permit fees, pay-to-pollute discharge fees, mitigation studies or mitigation costs.

**2. Credit allowed.** A credit is allowed against the tax otherwise due under this Part for qualifying expenditures incurred in meeting the requirements for obtaining an environmental permit. The credit is the lower of 50% of qualifying expenditures and:

A. For new assessed value from \$2,000,000 to \$10,000,000, \$50,000;

B. For new assessed value from \$10,000,001 to \$100,000,000, \$100,000; or

C. For new assessed value of over \$100,000,000, \$500,000.

**3. Limitations.** A credit is not allowed unless:

A. The environmental permit for which the qualifying expenditure was made is granted;

B. The results of all studies for which qualifying expenditures are made are filed with the Department of Environmental Protection and the University of Maine System, Senator George J. Mitchell Center for Environmental and Watershed Research and are available to the public; and

C. The amount of the qualifying expenditures and the amount of the credit are certified by the Department of Environmental Protection and the Department of Economic and Community Development.

**Sec. 2. Application.** This Act applies to environmental permits issued after June 30, 2011.

## SUMMARY

This bill provides an income tax credit for certain studies, analyses and natural resource inventories required as part of certain major state environmental permitting laws. The credit is allowed only if the permit is granted and is based on the cost of the qualifying expenditures and the amount of new property value created. The results of studies must be available to the public.