



130th MAINE LEGISLATURE

LD 229

LR 435(01)

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

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Farrin of Somerset

Committee: Taxation

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Potential reduction in number of businesses that receive tax credit - Maine Seed Capital Tax Credit Program

Fiscal Detail and Notes

Increasing the annual cap on the amount of investments eligible for tax credits under the Maine Seed Capital Tax Credit Program administered by the Finance Authority of Maine (FAME) from \$2.0 million to \$3.0 million for any one business in any calendar year and the aggregate cap any one business may be eligible for under the program from \$3.5 million to \$6.0 million may result in fewer eligible businesses receiving tax credits than would have received them absent this legislation. Under current law the total tax credits for the Maine Seed Capital Tax Credit Program that FAME may issue is \$15.0 million for calendar year 2020 through calendar year 2026 and is reduced to \$5.0 million annually beginning in calendar year 2027.