

Shaded LDs have been voted on by the Committee

# WS 4/25/2023

**TAXATION COMMITTEE  
131<sup>st</sup> LEGISLATURE  
1st REG SESSION**

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LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT <sup>1</sup>	
								FY24	FY25
641	839	3/3/28	4/6 4/12 4/25	Roberts	An Act to Combat Hunger by Creating an Income Tax Credit for Businesses Engaged in Food Production for Donations to Qualified Organizations	<p><b>This bill</b> provides <u>an income tax credit</u> for:</p> <ol style="list-style-type: none"> <li><u>persons engaged in commercial agricultural production, commercial aquacultural production or commercial fishing</u></li> <li>for <u>donations to a qualified donee</u> that provides food to <u>low-income individuals</u> without charging a fee for the food or requiring any other type of <u>compensation</u> from the low-income individuals.</li> </ol> <p>A <u>qualified doner</u> is an IRC section 170(3)(2) organization  A "<u>low income individual</u>" is a member of a low-income household or who is homeless under the Maine Affordable Housing Act of 1989.</p> <p>The <u>credit is equal to 10% of the deduction claimed for federal income tax purposes up to a maximum credit of \$5,000.</u></p>	4/6 not taken up 4/12 not taken up	Maine Revenue Services Estimates Admin costs \$33,000 FY 25 one time computer set up	
1135	1506	4/18	4/25	Boyle	An Act to Ensure that Carbon Credits Can Be Sold on Forest Land Enrolled in the Maine Tree Growth Tax Law	<p><b>This bill</b> is a concept draft pursuant to Joint Rule 208. This bill would allow a person that owns wooded property enrolled in the Maine Tree Growth Tax Law to sell carbon credits for that property and stay enrolled in the Maine Tree Growth Tax Law as long as timber harvesting was not prohibited under the carbon credit agreement.</p> <p><u>Sponsor presented language at the PH for an amendment which would turn the bill into a Resolve to direct the Maine Forest Service and Maine Revenue Services to work together to provide joint guidance regarding the impact of the sale of carbon on the classification of land under the Tree Growth Tax Law.</u></p>			

<sup>1</sup> . Numbers may represent preliminary estimates and are subject to change. For more detail, please see fiscal note documents in LD file.

LD	LR	PH	WS	SPONSOR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FISCAL IMPACT <sup>1</sup>	
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1176	1501	4/18	4/25	Adams	An Act to Create Municipal Cannabis Revenue Sharing	<p><b>Current law:</b> Provides that the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund may be spent by DHHS to provide up to \$20,000 reimbursement to municipalities for “qualifying expenses” incurred as a result of the municipality setting up operation of adult use cannabis establishments in the municipality.</p> <p><b>This bill:</b> Replaces conditions in current law and instead directs that 20% of the money credited to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund be distributed equally to all municipalities that opted to permit some or all adult use cannabis establishments. It requires reimbursement to be distributed “equally” to municipalities opting to permit adult use cannabis establishments.</p>			
1182	1414	4/18	4/25	Salisbury	An Act to Make Revisions to the Tax Increment Financing and Development District Laws	<p>This bill amends the laws governing tax increment financing by</p> <ol style="list-style-type: none"> <li>1. removing the requirement that DACF and the DoT review proposals for the designation of downtown tax increment financing districts.</li> <li>2. The bill also clarifies the standard for a TIF development district to be considered as “suitable for commercial or arts district uses.”</li> </ol>			

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1276	1824	4/13	4/25	Reny	An Act to Create and Sustain Jobs and Affordable Housing Through the Development of Cooperatives and Employee-owned Businesses	<p>This bill does the following to support employee-owned businesses and cooperatives.</p> <ol style="list-style-type: none"> <li>1. It <u>excludes from Maine income tax</u> the amount of <u>gain, up to a maximum of \$750,000</u>, recognized by a business owner <u>in transferring the business to an employee stock ownership plan, eligible worker-owned cooperative, consumer cooperative, affordable housing cooperative or agriculture producer cooperative.</u></li> <li>2. It <u>excludes from Maine income tax interest from loans that finance transfers of ownership</u> as provide in item 1.</li> <li>3. It <u>requires the DECD, Office of Business Development to contract with a nonprofit development organization with relevant expertise to develop and manage the Maine Employee Ownership Center to provide information and programs to assist businesses in the transition to employee or cooperative ownership.</u></li> <li>4. It <u>specifies performance measures</u> for OPEGA/GOC tax expenditure review process.</li> </ol> <p>Maine Revenue Services has technical concerns</p>		<p>Maine Revenue Services Estimates</p> <p>Admin costs: \$77,000 (one-time computer programming)</p> <p>Revenue loss(annual) \$400,000 to \$500,000</p>	