

**Comcast proposed Amendment
4-15-2021**

An Act To Promote Reliable Rural High-speed Internet

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

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

§5219-YY. High-speed Internet investment tax credit

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

A. "Commissioner" means the Commissioner of Economic and Community Development.

B. "Department" means the Department of Economic and Community Development.

C. "Eligible high-speed Internet provider" means a high-speed Internet service provider that has completed a qualified project.

D. "Qualified customer" means an end user receiving high-speed Internet service at qualifying speeds from a qualified project.

E. "Qualified project" means a project qualified by the commissioner under subsection 4.

F. "Qualifying speed" means high-speed Internet service with speeds at a minimum of 20 megabits per second downstream and a minimum of 20 megabits per second upstream.

2. Credit allowed. An eligible high-speed Internet provider is eligible for:

A. A \$1,000 tax credit for each qualified customer; and

B. A tax credit:

(1) In the amount of \$7,500 for each mile of **wireline infrastructure capable of qualifying speeds fiber-optic cable** installed as part of a qualified project where there is an average of 11 or more homes; and

(2) In the amount of \$10,000 for each mile of **wireline infrastructure capable of qualifying speeds fiber-optic cable** installed as part of a qualified project where there is an average of 10 or fewer homes.

3. Limitations. A person entitled to a credit under this section for any taxable year may carry over and apply the portion of any unused credits to the tax liability on income derived from the qualified project for any one or more of the next succeeding 10 taxable years. The credit allowed, including carryovers, may not reduce the tax otherwise due under this Part to less than zero and may not exceed the actual costs to the eligible high-speed Internet provider to complete the qualified project for which the credit is claimed under this section.

4. Project qualification. A high-speed Internet service provider may apply for qualification by the commissioner of a project that provides high-speed Internet service at qualifying speeds to customers in areas of service **that do not have broadband service of qualifying speed available from at least one internet service provider and** -where the average number of potential customers per mile does not exceed 20. Such

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an application must include the proposed location and speeds of the high-speed Internet service to be developed and must certify that qualified customers served by the project will be able to purchase internet service at the same prices that the provider offers in a metropolitan area. ~~qualifying speeds for not more than the Consumer Price Index price for high-speed Internet service in a metropolitan area.~~

5. Certification. A person claiming a tax credit under subsection 2 for a qualified project shall provide to the commissioner, in a manner determined by the commissioner, information that verifies the number of qualified customers served by the qualified project and that each qualified customer may access the Internet at qualifying speeds as a result of the qualified project and specifies the miles of ~~wireline infrastructure capable of qualified speeds fiber-optic cable~~ installed and the customers per mile served by the qualified project. Upon approval of the information, the commissioner shall provide the high-speed Internet provider with a letter of certification stating that the high-speed Internet service investments made are eligible for a tax credit under this section and stating the number of miles of ~~wireline infrastructure capable of qualified speeds fiber-optic cable~~ and the number of qualified customers that gained access to high-speed Internet service at qualifying speeds during the taxable year.

6. Application. This section applies to tax years beginning on or after January 1, 2022.

SUMMARY

This bill provides an income tax credit for high-speed Internet service providers who engage in a project approved by the Commissioner of Economic and Community Development that provides high-speed Internet service where the average number of potential customers per mile does not exceed 20 and the cost to the customers does not exceed the Consumer Price Index cost for high-speed Internet service in a metropolitan area.