

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 Improve the Historic Preservation Tax Credit**

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

**Sec. 1. 36 MRSA §5219-R, sub-§3** is enacted to read:

**3. Credit refundable for local historic landmark developer.** Notwithstanding subsection 1, a taxpayer that is a local historic landmark developer is allowed a refundable credit in an amount equal to the credit determined by the taxpayer under Section 47 of the Code for the taxable year. The refundable credit allowed by this subsection is in lieu of the credit that is allowed to the taxpayer by subsection 1 or that would otherwise be passed through to its partners or shareholders, if any. The credit is allowed only for tax years that begin on or after January 1, 2007 but before January 1, 2011. The credit may not exceed \$1,500,000 per year, and unused credit amounts may be carried forward only through the 2010 tax year. In the event that more than one local historic landmark developer qualifies for the refundable credit allowed by this subsection, the maximum annual credit amount and credit carry-forward limitations established by this subsection apply to all such developers collectively, and if necessary the State Tax Assessor shall prorate the credits between those developers based on their respective shares of qualified expenses incurred.

For the purposes of this subsection, “local historic landmark developer” means a person that owns or has entered into a contract to purchase 2 or more buildings that are:

- A. Listed on the National Register of Historic Places as provided by the National Historic Preservation Act or have been nominated to the register by the Maine Historic Preservation Commission;
- B. Located in a tax increment financing district as defined in Title 30-A, section 5241, subsection 17;
- C. Located in a Pine Tree Development Zone as defined in Title 30-A, section 5250-I, subsection 13; and
- D. Located in Waterville, Maine.

**Sec. 2. Application.** This Act applies to tax years beginning on or after January 1, 2007.

### **SUMMARY**

Current law provides a refundable tax credit of up to \$500,000 per year to a national historic landmark developer, which is defined as a person that owns 2 or more structures located in the Kennebec Arsenal District National Historic Landmark.

This bill provides a refundable tax credit of up to \$1,500,000 per year to a local historic landmark developer, which is defined as a person who owns or has entered into a contract to purchase 2 or more buildings that are listed on the National Register of Historic Places and that are located in a tax increment financing district, in a Pine Tree Development Zone and in Waterville.