

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND AND EIGHTEEN

H.P. 1240 - L.D. 1796

**An Act To Improve the Effectiveness of the New Markets Capital Investment
Credit**

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

Sec. 1. 36 MRSA §5219-HH, sub-§1, ¶J, as amended by PL 2013, c. 75, §1, is further amended to read:

J. "Qualified low-income community investment" means any capital or equity investment in, or loan to, any qualified active low-income community business made after September 28, 2011. Except as otherwise provided in this paragraph, with respect to any one qualified active low-income community business, the maximum amount of qualified low-income community investments that may be made with the proceeds of qualified equity investments that have been certified under Title 10, section 1100-Z, subsection 3, paragraph G is \$10,000,000 per project constructed, maintained or operated by the qualified active low-income community business whether made by one or several qualified community development entities. With respect to investments in a qualified active low-income community business that is a manufacturing or value-added production enterprise, the limit on the qualified low-income community investment is \$40,000,000 per project constructed, maintained or operated by the qualified active low-income community business. For the purposes of this paragraph, with respect to projects to which the \$10,000,000 limitation applies, "project" includes all land, buildings, structures, machinery and equipment located at the same location and constructed, maintained or operated by the qualified active low-income community business. For the purposes of this paragraph, with respect to projects to which the \$40,000,000 limitation applies, "project" means, and refers separately to, each manufacturing or value-added production facility that projects to create or retain more than 200 jobs, including the land, buildings, structures, machinery and equipment functionally related to, and integrated with, the manufacturing or production process conducted on the site of that facility. "Project" does not mean or include the component pieces of an integrated manufacturing or production process conducted on the site of a particular facility. "Qualified low-income community investment" does not include a capital or equity investment made after November 9, 2015 if more than 5% of the investment is used to refinance costs.

expenses or investments incurred or paid by the qualified active low-income community business or a party related to the qualified active low-income community business prior to the date of the qualified low-income community investment; make equity distributions from the qualified active low-income community business to its owners; acquire an existing business or enterprise in the State; or pay transaction fees.