



The many benefits of doing business in Maine

Maine's depth of talent, world-class research institutions, and premier undergraduate colleges, as well as its unparalleled quality of place and work-life balance, make it a choice location to start, grow, or relocate your business. The Department of Economic & Community Development (DECD) is here for you and your business—to serve as a resource, liaison, partner, and guide as you navigate the programs the State and its partners offer to businesses, communities, and individuals. Have questions about a specific credit or incentive? Let us help.

[Flip through to view incentives](#) ►

TAX INCENTIVES

Dirigo Business Incentives

Beginning January 1, 2025, Maine will offer sector-targeted business credits equal to: a flat 10% capital investment, including equipment, machinery, and building construction (5% in certain counties), a flat \$2,000 per worker provided an eligible training program, including approved private trainings. A business can receive up to \$2,000,000 per year in credits, up to \$500,000 of which is refundable, and carry over the remaining credits for an additional four years.

Municipal Tax Increment Financing (MTIF)

Leverage new property taxes generated by a specific development to finance public or private projects. Municipalities create MTIF districts, often in partnership with businesses.

Opportunity Zones (OZ)

Reduce capital gains taxes on your investments in specific under-served communities in Maine through this federal tax incentive program.

TAX CREDITS & EXEMPTIONS

Biofuels Production Tax Credit

A tax credit of \$0.05 per gallon for the production of biofuels. The credit is available to biofuel producers who are certified by the Department of Environmental Protection.

Business Equipment Tax Exemption (BETE)

Receive up to a 100% tax exemption from personal property taxes on your eligible business equipment.

Maine Capital Investment Credit (MCIC)

Income tax credit for placing depreciable property in service at your business in Maine during the tax year equal to 1.2% of the federal bonus depreciation claimed for the taxable year under Internal Revenue Code 168(k) on that property, limited to the Maine income tax liability of the taxpayer carried forward up to 20 years.

Maine Seed Capital Tax Credit Program (FAME)

FAME may authorize state income tax credits to investors for up to 40% of the cash equity provided to eligible Maine businesses. Investments may be used for fixed assets, R&D, or working capital.

Renewable Chemicals Tax Credit

Tax credit at \$0.08 per pound for the production of renewable chemicals, which are defined to be no less than 95% biobased content; to include chemicals, polymers, plastics and formulated products; and to exclude substances used for food, feed, or fuel, with limited exceptions.

Renewable Energy Equipment Tax Exemption through Maine Revenue Services

Solar and wind energy equipment, except that of industrial power suppliers, is exempt from local property tax.

WORKFORCE SUPPORT

Career Centers

Maine has a network of Career Centers across the state that assist employers of all sizes with recruiting, hiring, training, workforce services, and access to labor market information.

Maine Apprenticeship Program (MAP)

Employers can sponsor apprenticeship programs in partnership with the Department of Labor to develop a workforce pipeline tailored to the specific needs of the company. Sponsors receive assistance developing their program and identifying related instruction providers, are reimbursed for up to 50% of the cost of classroom instruction and register the program for federal purposes.

Maine Quality Centers Program (MQCP)

MQCP partners with employers to provide grants to fund workforce training for new or current employees. Training is administered by one of Maine's community colleges. One-on-one advising is available to help employers tailor training programs to their specific needs.

Safety & Education Training Program (Safetyworks)

Customized health and safety training, site evaluation, and technical support to help employers reduce injuries, illness, and worker's compensation costs — all free of charge.

WORKFORCE SUPPORT CONT.

Student Loan Repayment Program (Maine Revenue Services)

This program provides a “Educational Opportunity Tax Credit” to Maine residents on student loan payments offered through financial aid packages. To receive the credit, complete a form available through Maine Revenue Services. More information is available on the Live + Work in Maine website, or at Maine Revenue Services.

GRANT FUNDING

Agricultural Development Grant

The Maine Department of Agriculture, Conservation, and Forestry (DACF) administers this program, which serves to provide cost share grants to conduct market promotion, market R&D, and value-added processing and new technology demonstration projects. DACF awards grants for winning proposals up to \$50,000.

Efficiency Maine Commercial and Industrial (C&I) Prescriptive Incentive Program

Efficiency Maine’s C&I Prescriptive Incentive Program offers fixed or “prescriptive” incentives to reduce the cost of projects that help businesses use energy more efficiently. Eligible businesses include manufacturing and industrial facilities.

Maine Coworking Development Fund

The Department of Economic & Community Development (DECD) partners with collaborative workspace businesses who are serving key roles in their communities. Grant funding has been historically available every other year with support from the Maine Legislature in the State’s biennial budget. For this program, a matching grant is defined as a financial co-investment where the expected return on investment is in the form of community and economic impact, not dollars.

Maine DOT Industrial Rail Access Program (IRAP)

IRAP is a competitive grant program providing financial assistance for investment in rail or rail-related infrastructure located on, within, or adjacent to the general railroad system. Program requires a 50-50 cash match. The average IRAP award is \$175,000 and the max award is \$750,000.

Maine Technology Institute (MTI)

MTI supports new technology related products and services that will create high-quality jobs for Maine people. It’s possible that MTI can be helpful in supporting new investments in equipment, engineering, or tooling necessary to pursue a new an innovative product or market.

Maine Workforce Development Compact

Employers can access up to \$1,200 per employee by joining the Maine Workforce Development Compact through the Maine Community College System. Grant money is available to subsidize training costs.

Micro-Enterprise Grant

Existing businesses that have five or fewer employees, one of whom owns the enterprise, and whose household income is Low/Moderate as defined by HUD may be eligible. The max award amount is determined at the local level and will not exceed \$10,000.

State Trade Expansion Program (STEP)

This SBA grant program, administered by MITC, is meant to encourage Maine companies to seek new international sales opportunities. Provides reimbursements for eligible activities up to \$20,000 per year.

FINANCING

Finance Authority of Maine (FAME) Direct Loan

Available to Maine businesses that have exhausted traditional funding sources. Usually less than \$500,000 but can be more if planned investments demonstrate substantial public benefit.

Linked Investment Program for Commercial Enterprises

A business may work with their preferred financial institution on this program to reduce the interest rate on this loan (up to 2% savings) with a maximum Certificate of Deposit (CD) Investment of \$200,000. Please note that the actual loan amount may be greater. Business must be non-agricultural, have 20 or fewer employees or outside of the state, be 50% owned by Maine residents, create/retain one job for each \$20K of deposited funds, and loan proceeds must be for real property, fixed assets, or working capital.

FINANCING CONT.

Maine Rural Development Authority (MRDA)

Financial assistance is available to aid in the development of new commercial facilities and/or the acquisition and redevelopment of commercial facilities that are deemed unproductive. MRDA can serve as lender, principle developer, partner, or investor in the acquisition of property and redevelopment of existing commercial properties. The maximum amount available for investment from CFD is \$500,000.

Maine Technology Institute (MTI)

MTI provides equity funding to Maine companies that are engaged in innovation in at least one of the following sectors: Biotechnology, Composites & Advanced Materials, Environmental Technologies, Forest Products & Agriculture, Information Technology, Marine Technology & Aquaculture, or Precision Manufacturing.

Maine Venture Fund (MVF)

Maine Venture Fund is the State of Maine's venture capital fund. It provides resources to attract, support, and help develop eligible small businesses that demonstrate the potential for substantial growth and success that will contribute to the economic prosperity of Maine. MVF's initial investments typically range from \$100-\$300K and their terms tend to be more patient than those offered by larger venture funds.

Regional Economic Development Revolving Loan Program

These loans are issues to local economic development groups, and to businesses with sales under \$10 mm or with less than 100 employees. Loan terms are established by the agency administering the loan.

