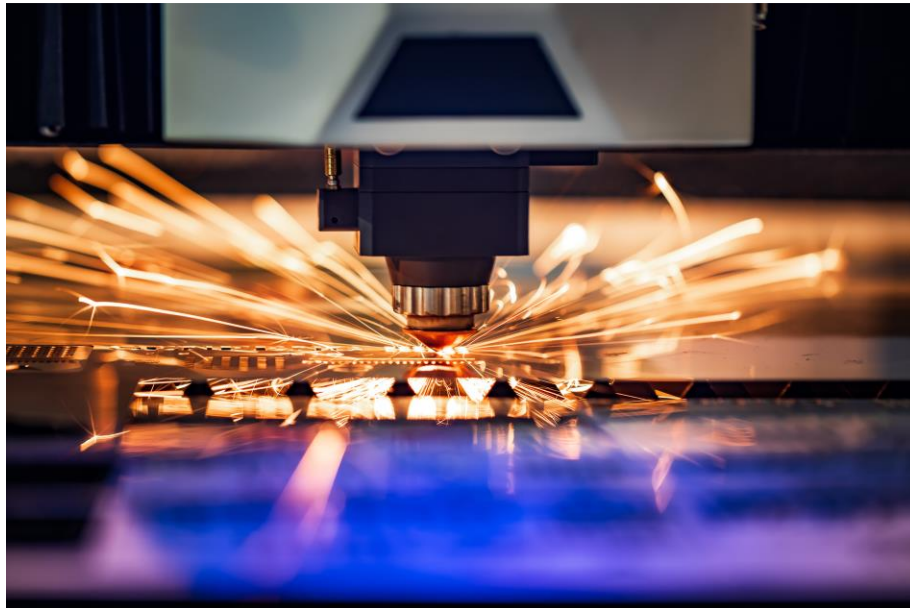


Economic Development Incentives for Manufacturing in Maine

May 2025



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DEVELOPMENT



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Welcome Home to Maine

- ✓ People are moving to Maine – 9th in the nation for in-migration (2022 and 2023).
- ✓ Maine's real GDP has grown 17.9% since the beginning of 2019, the 8th fastest rate in the nation.
- ✓ Maine is one of the Top 10 Safest States in the U.S., with a property crime rate 39% below the national average.
- ✓ Maine is a place where employees want to work, live, and raise their families.
- ✓ Maine's Economic Development Strategy prioritizes attracting talent and investing in innovation.
- ✓ Our Climate Action Plan aims to reduce gross GHG emissions by 45% from 1990 levels by 2030 and 80% by 2050.

“Maine is among the best states to live in with high marks for its safety, economy, education & health.”
—WalletHub, 2023

Growing population, #1 for inbound moves in 2023
—Atlas Van Lines





Manufacturing is a Heritage Industry in Maine

- Approximately 1,850 Maine manufacturing businesses employ more than 56,700 Maine workers. The payroll tops \$3.6 billion and accounts for 12% of wages paid statewide.*
- The manufacturing industry in Maine contributes over \$6.2 billion dollars to GDP and plays a vital role in the US and globally in military and defense, aerospace, metal, paper, marine/boat building, semi-conductor, wood, textile, aquaculture, biotech, medical device, electronics, wireless communications, plastics, composites and bio-plastics, studio and food and beverage manufacturing.*

*Statistics from [Manufacturers Association of Maine](#)

Manufacturing Support Partners & Resources



UMaine Offers World-Class R&D and Industry Support

- ✓ R1 Top-Tier Research University with engineering and forestry programs that produce workforce-ready grads, new technologies.
- ✓ Robust research institutes provide businesses access to product development, prototyping and manufacturing process improvements.
- ✓ **Contact: Jake Ward**
Vice President for Innovation and Economic Development
jsward@maine.edu
207-949-4909



Advanced Manufacturing Lab at UMaine

Centers of Excellence:

- [Advanced Manufacturing Center](#)
- [Maine College of Engineering and Computing](#)

Roux Institute Offers High-Tech Support

N The Roux Institute Northeastern University

- ✓ Through integrating graduate-level learning, world-class research, industry partnership, and groundbreaking entrepreneurship, [Northeastern University's Roux Institute](#) operates as a tech talent and innovation hub for Maine and beyond, driving bold innovation at the intersection of tech, data, life sciences and manufacturing.
- ✓ Entrepreneurship Programs intended to accelerate industry.
- ✓ Engineering research group enhances efficiencies, sustainability and safety in your operations, including advanced materials, manufacturing, AI.



Jack Lesko is the Roux Institute's Director of Engineering Research

Dirigo Business Incentives Program



DIRIGO BUSINESS INCENTIVES

Maine is committed to seeing
businesses thrive.

HOW IT WORKS

Designed for simplicity:

- Straightforward application process - Meet the requirements, you get the credit.
- No time limit - Credits are available every year a business has eligible investment and training, and there is no sunset.

BENEFITS

Accepting applications July 2024

Beginning January 1, 2025, Maine will offer sector-targeted business credits equal to:



10% capital investment credit — including equipment, machinery, and building construction (5% in certain counties).



\$2,000 per worker provided an eligible training program, including approved private trainings.

Corporate Income Tax (1120ME)

Maine imposes an income tax on all entities organized as corporations and that have Maine-source income. The tax is graduated, with rates ranging from 3.5% (for income up to \$350,000) to 8.93% (for income in excess of \$3,500,000). The tax generally does not apply to S corporations unless the corporation has federal taxable income at the corporate level.

More information:

<https://www.maine.gov/revenue/taxes/income-estate-tax/corporate-income-tax-1120me>



Other Tax Incentives for Manufacturers

- **Business Equipment Tax Exemption:** 100% property tax exemption on business equipment.
- **Research Expense Tax Credit:** 5% of R&D spending and 7.5% of basic research spending, incremental.
- **Sales Tax Exemptions:**
 - [Research and Development](#) machinery & equipment
 - [Manufacturing](#) machinery & equipment; also, any manufacturer is exempt from paying 95% of the sales tax on fuel and/or electricity used in the facility
 - [Custom Computer Programming](#)
- **Property Tax Exemption:**
 - [Renewable Energy Equipment](#) - solar and wind equipment



Workforce Development Supports

- **Maine Workforce Development Compact**: Grants for employers up to \$1,200/employee.
- College graduates who live and work in Maine may be eligible for up to \$2,500/year through the **Student Loan Repayment Program**, up to \$25,000 lifetime.
- **Apprenticeship Support**. \$500-\$2,500 reimbursement per worker accepted to apprenticeship program. +\$1,500 bonus for employer to be a sponsor and \$1,000 for each new occupation added.
- **On The Job Training**. Reimbursement of up to 50% of wages per worker for up to 480 hours in OTJ training support.
- **Work Opportunity Tax Credit**.





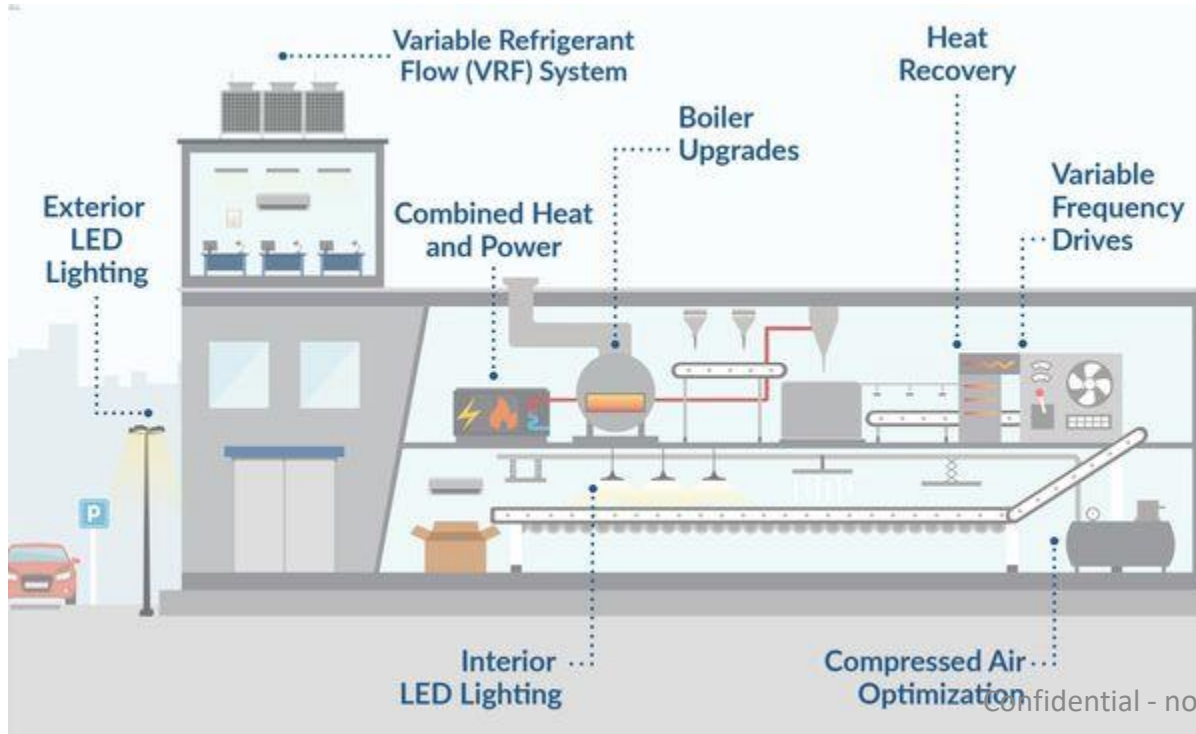
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- Founded in 1999 and funded by the Maine Legislature, MTI offers grants, loans, equity investments, and services to support Maine's innovation economy.
- **Life Sciences and Precision Manufacturing** are among MTI's seven technology sectors for targeted investments.

- Up to **\$100,000 in grant funding** available for Brunswick facility expansion, including new equipment purchases, pending eligibility.
- MTI is administering programs in support of the **\$25 million R&D bond** recently passed by Maine voters. Substantial grant awards to support facility construction, renovations, equipment acquisition, and certain technology upgrades in Maine firms engaged in the state's targeted technology sectors will be available later in 2025.
- Since its founding, MTI has invested over \$372M in nearly 4,000 distinct projects across Maine.
- Contact: Brian Whitney, President
bwhitney@mainetechnology.org 207-592-9182

Efficiency Maine Offers Prescriptive & Custom Support



Prescriptive Program Offers:

- Lighting retrofits (\$0.28 per kWh saved annually)
- Office heat pumps
- Small VFDs and compressors

Custom Program Offers:

- Process upgrades, compressed air systems, HVAC equipment, chillers, boiler controls, etc.
- \$0.30 per kWh and \$25 per MMBtu saved annually up to 75% of the additional cost of any incorporated energy efficiency measures
- **Up to \$1M per year not including Prescriptive incentives.**

To reach out to Efficiency Maine directly,
contact Jesse Remillard, PE
Custom Program Manager
207-368-2558

Jesse.Remillard@efficiencymaine.com
www.efficiencymaine.com

Contact Us:

Ben Sturtevant

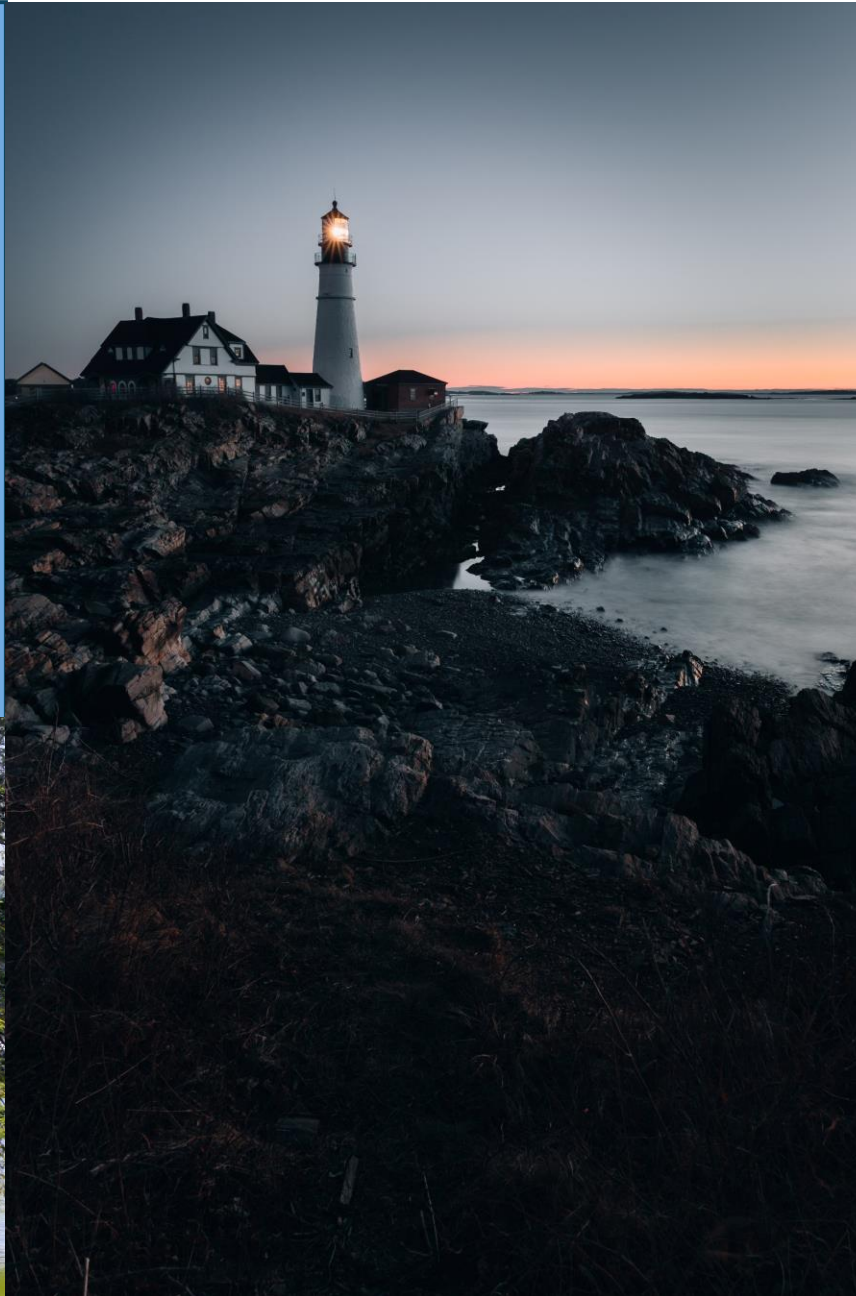
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