

# Dirigo Business Incentives Program

## Tax Credits for Capital Investment and Employee Training

[Maine's Dirigo Business Incentives Program](#), administered by the Department of Economic and Community Development (DECD), provides eligible for-profit businesses with state tax credits for qualifying capital investments and employee training. Credits are available every year a business has eligible activity, and there is no sunset date in statute.

### Two available credits:

- **10% capital investment tax credit** for equipment, machinery, and building construction (5% in Cumberland, Sagadahoc, and York counties)
- **\$2,000 per worker tax credit** annually for employees who complete a qualified training program

### Program limits:

- Credit capped at \$2 million per business per year; can be taken over 5 years
- Up to \$500,000 of the credit is refundable annually
- Capital investment or worker training begun **before certification will not be eligible**

## Steps to Claim the Worker Training Credit

| Step | Task  |
|------|---|
| 1    | Confirm your business is eligible. You must be a for-profit company operating in one of the qualifying sectors: agriculture, forestry, and fishing; manufacturing; long-distance freight transportation; software publishing, data processing, and computer design; or engineering, architecture, and scientific R&D services. Eligibility is determined by NAICS code.   |
| 2    | Submit an online application at <a href="http://maine.gov/decd/business-development">maine.gov/decd/business-development</a> . The application asks you to confirm your for-profit structure and NAICS code. Once you meet the requirements, you will be certified. <b>Do not begin training or capital investment before receiving your certification letter. Use the <a href="#">Dirigo Tax Credit Estimator</a> to estimate your potential credit before applying.</b> |
| 3    | Once certified, identify your qualified training program. Training through the Maine Workforce Development Compact (including programs at the Roux Institute at Northeastern University) qualifies, as does the Maine Apprenticeship Program, on-the-job training through a Local Workforce Board, and education or training from an accredited Maine college or university.  |
| 4    | If taking a program through the Roux Institute at Northeastern University, register through us and sign the <b>FERPA waiver</b> , which allows us to confirm your program completion. Contact <b>Caitlin Enz (c.enz@northeastern.edu)</b> with registration questions.  |
| 5    | Ensure training requirements are met within the tax year: at least 3 employees must complete qualified training, each employee must complete at least 20 hours of training, and the business must pay more than \$2,000 in wages per employee during training hours.  |
| 6    | Claim the Dirigo tax credit on your annual Maine state income tax filing.   |

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## Who Is Eligible?

- For-profit businesses with a physical location in Maine (headquarters may be outside Maine)
- Must operate in a qualifying sector (confirmed by NAICS code)
- Employees must be Maine residents

**Qualifying sectors:** Agriculture, forestry & fishing / Manufacturing / Long-distance freight transportation / Software publishing, data processing & computer design / Engineering, architecture & scientific R&D services

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## Important Reminders

- Apply for certification **before** beginning any training or capital investment
- Credits are available annually with no planned end date
- The \$2,000 worker training credit and the capital investment credit can both be claimed in the same year

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*For questions about the Dirigo program, contact: **Shae McGehee**, Economic Development Incentives Manager Maine Department of Economic and Community Development  
Shae.McGehee@maine.gov | 207-624-9875 [maine.gov/decd/business-development](http://maine.gov/decd/business-development)*

*For questions about training programs at the Roux Institute: [NULearn@northeastern.edu](mailto:NULearn@northeastern.edu)*