

# Maine is Ready for You

A guide to growing your life sciences business in Maine



**“Maine is a thriving part of our life sciences ecosystem.”**

**— Brian Harris, CEO & Founder MedRhythms**



**FOCUSMAINE**

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**MAINE.**  
ECONOMIC & COMMUNITY  
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**BIOME**  
Bioscience Association of Maine

*M*  
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## Maine is an ideal ecosystem for life sciences companies looking to make an immediate and lasting impact.

In Maine, your organization will be surrounded by a strong and supportive network of state programs while retaining research and development autonomy. That's Maine — an interconnected community of independent innovators.

And here, you'll make use of extensive tax credits and funding opportunities to move your business forward while finding firm footing in our professional development programs and extensive network of higher education institutions. This state is brimming with opportunities.

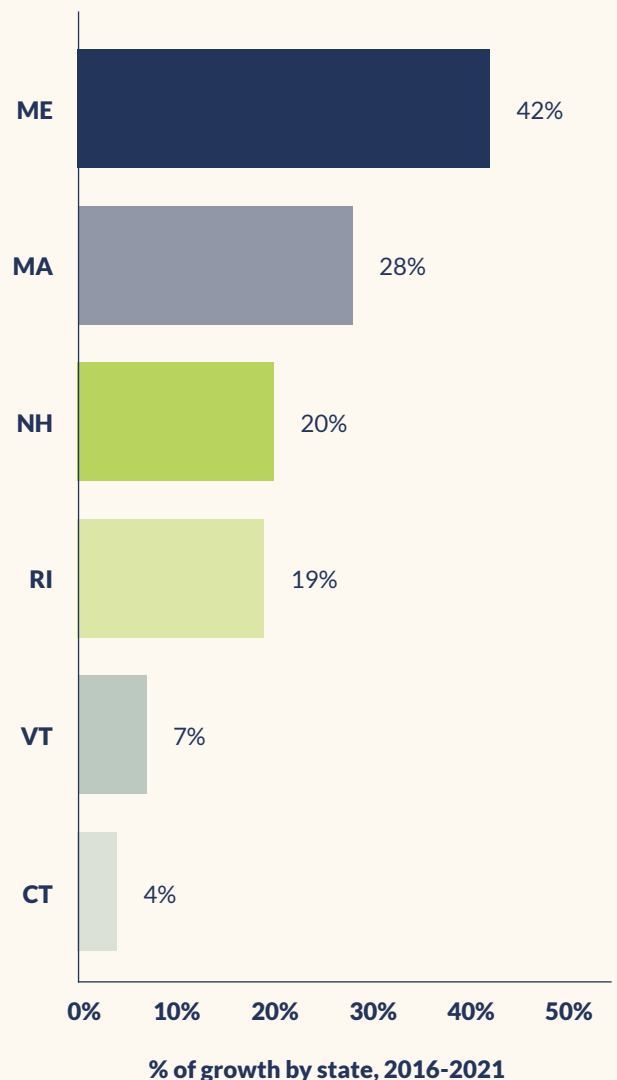
In Maine, you'll benefit from easy access to Boston while boasting a high quality of life for your employees. Maine is truly the best of both worlds.

You'll be a leader in the life sciences wave that's spreading across the state. This is the present and the future of the life sciences corridor. This is where your company, and your people, can thrive.

And of course, your workforce will experience the wonders of Acadia National Park while getting to know Portland's award-winning food and drink scene. The adventures here are endless.

This is Maine.

### Life sciences job growth in Maine outpaces other New England states.



**“There is so much momentum in the life sciences in Maine right now.”**

**—Agnieszka Carpenter, Executive Director BioME**

*Data courtesy of BioME Industry Report*



# Incentive Overview

In Maine, we're confident in our state's future as a life sciences hub — and we're making that clear with bold new programs. That's why the Maine state government and other organizations are collaborating to offer a wide array of benefits for your business, from tax incentives, to financing opportunities, to workforce initiatives.

Maine is driving innovation through dynamic tax incentives like the Dirigo Business Incentives Program, the state's new premier incentive program. It offers a 5% refundable capital investment tax credit in York, Cumberland, and Sagadahoc Counties starting in 2025, and that credit rises to 10% in all other Maine counties. Capped at \$2,000,000 per business per year, this credit reflects our state's commitment to driving innovation and opportunity. Generously, even if your organization has no income tax liability, it will still receive \$500,000 per year of the credit earned in a check from the state of Maine. The Dirigo Business Incentives Program also includes a tax credit of \$2,000 for each eligible employee engaged in a qualified training program provided by your business.

Maine is fueling growth with versatile state-funded grants, like those of the Maine Technology Institute (MTI), a state-funded nonprofit that provides capital, commercialization aid, loans, and grants of up to \$100,000 and low-cost debt up to \$500,000. MTI has propelled companies like MedRhythms in Portland to realize their full potential.

*Overall, Maine's life sciences companies have shown a capacity to attract extensive Venture Capital, raising nearly \$267 million between 2017 and 2021. (Source: BioME Industry Report, 2022)*

**Maine is committed to championing pioneers in life sciences. It's time to see what you're capable of. Take your company to the next level — come to Maine, and see what can happen.**

**“I moved my startup here to be close to manufacturing, and there was an available workforce here that was hardworking and excited to be involved in the life science industry.”**

**—John Konsin, CEO & Co-Founder, Prapela**

# Incentives

Maine is driving innovation and fueling growth through dynamic tax advantages, versatile state-funded grants, and robust workforce programs.

## Tax Credits and Exemptions

### Corporate Income Tax Benefits

#### Maine Corporate Income Tax Single Sales Factor

Get rewarded by the state for nationwide success using a single-sales factor formula.

#### Dirigo Business Incentives Program (starts 2025)

Maine's new premier capital investment tax credit program offers a 5% refundable investment tax credit in Maine's southernmost counties of York, Cumberland, and Sagadahoc Counties starting in 2025, and that credit rises to 10% in all other counties.

#### Net Operating Loss Carryforward

In Maine, NOLs can be carried forward to the same extent as under federal law.

#### Research Expense Tax Credit

Research in Maine qualifies for a 5% corporate tax credit for excess research expenses and a 7.5% credit for basic research as defined in the federal law. Unused credits may be carried forward for 15 years.

#### Renewable Chemical Production Tax Credit

Enjoy a credit of 8 cents per pound of renewable chemical produced in Maine.

### Investor Income Tax Credits and Refunds

#### Maine Seed Capital Tax Credit Program

Unlock a 40% state income tax credit for your cash equity investments.

#### Federal Qualified Opportunity Zone Program

Build your facility in one of Maine's opportunity zones and qualify for investments from a Qualified Opportunity Zone.

### Sales Tax Exemptions

#### Research and Development Sales Tax Exemption for Biotechnology Applications

Benefit from Maine's sales tax exemption on R&D equipment for use in a diverse array of technologies, from genetics to cellular biology and beyond.

#### Manufacturing and R&D Sales Tax Exemption

Benefit from Maine's sales tax exemption on purchases of machinery, equipment, fuel, and electricity for use in production and manufacturing of products intended for final consumption.

#### Custom Computer Programming Sales Tax Exemption

Any custom computer programming purchased by a business is exempt from Maine's sales tax.

#### Pine Tree Development Zone Program (PTDZ) (Enrollment ends December 2024)

Reduce your state taxes for up to ten years when you either create new, quality jobs in certain sectors like life sciences or move existing jobs in those sectors to Maine.

## Tax Credits, Exemptions, and Financing

### Property Tax Exemptions

#### Business Equipment Tax Exemption (BETE)

Most new business equipment is exempt from local property tax in Maine.

#### Municipal Tax Increment Financing (TIF) Program

In certain Maine municipalities, new property taxes from a designated project can be used to finance public or private development, and TIF revenues can be returned to a developer to help finance a project.

# Incentives

## **Property Tax Exemption for Solar and Wind Energy Equipment**

Certain solar and wind energy equipment is exempt from local property tax.

## **Investing, Financing, and Access to Capital**

### **Maine Venture Fund**

This organization makes equity investments in early stage Maine companies that have the highest potential for growth, including life sciences companies.

### **The Finance Authority of Maine (FAME)**

FAME offers a wide array of business assistance programs from traditional to direct loans, including their Commercial Loan Insurance program. FAME also enables creditworthy Maine firms to access capital at favorable rates and terms.

### **The Maine Technology Institute (MTI)**

This state-funded nonprofit provides capital, commercialization aid, loans, and grants up to \$100,000 and low-cost debt up to \$500,000.

## **Workforce Incentives**

### **Corporate Training**

#### **Dirigo Business Incentives Program (Starts 2025)**

Receive a tax credit of \$2,000 for each eligible employee engaged in a qualified training program provided by your business completed in the same tax year.

#### **Maine Quality Center Program**

Take advantage of this program run by the Maine Community College System, which offers workforce training grants to help you strengthen the skills of your workforce at little or no cost.

## **Harold Alfond Center for the Advancement of Maine's Workforce**

Work with the Maine Community College System to design grant-funded, customized training to meet your specific workforce needs.

## **Individual Talent Attraction and Retention**

### **Maine Career Catalyst**

Provides professional development and networking opportunities for college interns in Maine, with a focus on community and an exploration of career paths.

### **Alfond Grant for Maine Babies' College Savings Account**

Allows new Maine parents to open a college savings account with an initial Alfond Grant of \$500 followed by opportunities for 30% matching grants of up to \$300 per year.

## **Workforce Attraction and Retention**

### **Student Loan Repayment Tax Credit Program (also known as Opportunity Maine Tax Credit)**

Employers can receive a tax credit if they assume the student loan payments for their employees as an employee attraction and retention incentive. Eligible college graduates can receive a tax credit when they make qualified student loan payments, ensuring they're supported on their financial journey.



Scan the QR code to view the full list and details of all the above incentives

## The University of Maine System

The University of Maine System is Maine's largest educational enterprise and an R1 Research Institute. With an annual enrollment of nearly 30,000 students across seven campuses, it boasts educational and cultural offerings alongside outreach and public service to individuals, businesses, organizations, and policymakers. Of note, it includes a wide array of departments focused on biomedical sciences.

The University of Maine Institute of Medicine

The University of Maine Department of Molecular & Biomedical Sciences (MBMS)

The University of Maine Graduate School of Biomedical Science and Engineering (GSBSE)

University of Maine Foster Center for Innovation

The University of Maine Forest Bioproducts Research Institute (FBRI)

The Maine Rural Health Research Center

## The Roux Institute at Northeastern University

Northeastern University's Roux Institute was launched in January 2020 in Portland. An engine for economic impact in Maine and New England, the Roux offers graduate education and research capabilities in areas like AI, computer and data sciences, digital engineering, and the advanced life sciences and medicine. As the world leader in experiential learning, Northeastern has a history of aligning students' learning with employers' needs. The Roux Institute partners with Maine companies to equip the workforce with essential tech skills and advance research and development. Together they aim to establish an innovation corridor stretching from Boston to Portland and beyond.

## The Roux Institute Future of Healthcare Founder Residency

Designed in partnership with Northern Light Health and MaineHealth, the Roux Institute's Future of Healthcare Founder Residency is the first of its kind in Northern New England. The Residency is turbocharging Maine's growing healthcare technology industry by bringing 30 early-stage HealthTech companies to the state over the next three years.

## The Maine Community College System

The mission of the Maine Community College System is to create an educated, skilled, and adaptable labor force that is responsive to the changing needs of the Maine economy and to promote local, regional, and statewide economic development. **Maine is offering tuition-free community college education through the 2025 school year.**

Southern Maine Community College (SMCC) has a robust biotechnology degree program. Students who participate in the program acquire laboratory skills and theoretical background for either employment or transfer to other four-year colleges or universities.

Maine has targeted biotechnology as a key future growth sector, and SMCC's biotechnology program is designed to support this growth. SMCC is renovating its Microbiology Lab to meet the needs of current molecular techniques and increased course offerings to provide a more thorough training for students in molecular biology and exposure to biomedical research in genomics, advanced techniques in genetics, and other areas of biotechnology.

## The Jackson Laboratory (JAX)

Established in 1929, The Jackson Laboratory (JAX) is a renowned non-profit biomedical research institution, based in Bar Harbor, Maine. With a global team of nearly 3,000 employees with locations in Maine, Connecticut, California, Japan, and China, JAX leverages a unique combination of research, education, and resources in the achievement of its mission: to discover precise genomic solutions for disease and empower the global biomedical community in its shared quest to improve human health. The Laboratory has made extensive contributions in nearly every human disease area and in establishing the mouse as the premier research animal model. To date, 26 Nobel prizes are associated with The Jackson Laboratory and fundamental contributions to cancer genetics, organ transplantation, Alzheimer's disease, diabetes, addiction, and rare diseases are advancing clinical care around the world. Using a combination of the most published and well-characterized mouse models in the world, human cellular models, and data science methodologies, The Jackson Laboratory is committed to bringing about transformative biomedical advancements and to having an ongoing and significant impact on the future of human health.

# Collaborators and Community Partners

### **MaineHealth Institute for Research (MHIR)**

MHIR supports and encourages a broad spectrum of research at MaineHealth and its family of hospitals and labs, ranging from basic laboratory-based to clinical and health services. MaineHealth has world-class scientists working on the most advanced biomedical problems. They bring the benefits of new discoveries to our patients and to the world, and we have an ongoing commitment to continue to be one of the very best biomedical research communities.

### **The Bioscience Association of Maine (BioME)**

BioME is the lead trade association advancing life sciences within the state. Its mission is to advance economic growth and opportunities in the life sciences community of Maine by allocating equal involvement in advocacy, education, economic development, workforce development, and out-of-state business attraction.

#### **Other partners include:**

Bigelow Laboratory for Ocean Sciences  
Department of Veterans Affairs Maine Research Center  
FocusMaine  
Harold Alfond Center for Cancer Care  
IDEXX Laboratories, Inc  
Maine & Company  
Maine General Hospital  
MDI Biological Laboratory  
Northern Light Health Clinical Research Center  
The Central Maine Comprehensive Cancer Center  
The Maine Center for Disease Control and Prevention  
The Maine Center for Entrepreneurs (MCE)  
The Maine State Chamber of Commerce  
The University of New England



**“Higher education institutions utilized over \$260 million for life and physical science related R&D between 2016 and 2020.”**

**—BioME Industry Report, 2022**

# **Collaborators and Community Partners**

# Maine by the numbers

“Great science is like great art. You need to be creative to do it, and do it well. That ethos is here.”

—Deborah Bronk, CEO Bigelow Labs



#1

**Place to live on the East Coast**

—US News & World Report



#2

**Best state to live and work in**

—CNBC



#1

**Safest state**

—US News & World Report



#5

**Economic growth**

—US News & World Report



#6

**Opportunity**

—US News & World Report



>30

**Boat and yacht clubs**

—Marine Waypoints



**10,000+**

**Life sciences workers**

—Portland Press Herald



**484**

**Life sciences companies**

—BioME

**>6,000**

**Lakes and ponds**

—Maine Department of Environmental Protection



**6**

**World-class ski destinations**

—Maine Office of Tourism







## Case Study Story: MedRhythms in Portland, ME

As a fellow at Spaulding Rehabilitation Hospital in Boston, Brian Harris implemented the first full-time, inpatient neurologic music therapy program. In 2015, Harris expanded that program into a business. With Owen McCarthy, Harris co-founded MedRhythms, a digital health startup that combines sensors, software, and music with advanced neuroscience to restore nervous system functions and develop therapeutics across a range of conditions.

But for Harris and McCarthy, Boston was temporary. In 2016, they moved MedRhythms' headquarters from Boston to Portland, Maine. Harris and McCarthy had both grown up in Maine and attended the University of Maine, and they know better than anyone the benefits of the Pine Tree State. As Harris puts it, "Being in Maine, we are just an hour and a half away from downtown Boston. We have the best of both worlds."

**"We cared about Maine and wanted to build an iconic company here. We had great support from the ecosystem and from the state of Maine."**

**—Brian Harris, CEO & Co-Founder of MedRhythms**

Notably, MedRhythms found their footing through Maine-based financial incentives. The company was initially financed by grants from the Maine Technology Institute (MTI) and investment from the Maine Venture Fund and Finance Authority of Maine (FAME).

Since then, MedRhythms has grown to 44 employees and has raised a total of \$43 million from both angel and venture capital investors. Just this summer, their evidence-based neurorehabilitation to improve walking and ambulation for people with chronic stroke, InTandem™, was listed as a Class II, Rx-only medical device with the FDA.



## Move to Maine, and see what can happen.



**2015**

Brian Harris and Owen McCarthy found MedRhythms in Boston.



**2016**

MedRhythms moves its headquarters from Boston, MA to Portland, ME.



**2018**

MedRhythms raises \$5 million in an oversubscribed Series A Financing round.



**2021**

MedRhythms obtains \$27 million in Series B venture capital funding.



**2023**

MedRhythms' neurorehabilitation system InTandem™ is listed as a Class II medical device with the FDA