

MAINE STATE LEGISLATURE

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M
H. 018

L.D. 1714

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DATE: 4-16-04

(Filing No. H-957)

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
121ST LEGISLATURE
SECOND SPECIAL SESSION

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HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to S.P. 646, L.D. 1714, Bill, "An Act To Streamline the Sales Tax Credit for Worthless Accounts To Eliminate Unnecessary Burdens on Certain Maine Businesses and Consumers"

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Amend the amendment by inserting after the title the following:

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'Amend the bill by striking out the title and substituting the following:

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'An Act To Streamline the Tax Laws Related to Worthless Accounts To Eliminate Unnecessary Burdens on Certain Maine Businesses and Consumers''

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Further amend the amendment by inserting after the 2nd paragraph after the title and before section 2 the following:

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'Sec. 2. 36 MRSA §5219-X is enacted to read:

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§5219-X. Credit for sales tax on worthless accounts

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A taxpayer that finances the purchase of an automobile is allowed a credit against the tax imposed under this Part equal to the amount attributable to sales tax covered by the financing agreement and written off as a worthless account. The credit provided by this section is not allowed to taxpayers who are eligible for a sales tax credit with regard to the worthless account under section 1811-A.'

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Further amend the amendment in section 2 in the first line (page 1, line 32 in amendment) by striking out the following:

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"Sec. 2." and inserting in its place the following: 'Sec. 3.'

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HOUSE AMENDMENT

R. 015.

HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to S.P. 646, L.D.
1714


SUMMARY

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This amendment provides an income tax credit to any person
4 who finances an automobile purchase for another and subsequently
charges off the account as worthless and who is unable to take
6 advantage of the sales tax credit for such charged-off accounts.

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SPONSORED BY: 
(Representative LEMOINE)

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TOWN: Old Orchard Beach

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FISCAL NOTE REQUIRED
(See attached)

**121st Maine Legislature
Office of Fiscal and Program Review**



LD 1714

**An Act To Streamline the Sales Tax Credit for Worthless Accounts To
Eliminate Unnecessary Burdens on Certain Maine Businesses and
Consumers**

LR 2442(05)

Fiscal Note for House Amendment " " to Committee Amendment "A"

Sponsor: Rep Lemoine

Fiscal Note Required: Yes

Fiscal Note

	2003-04	2004-05	Projections 2005-06	Projections 2006-07
Net Cost (Savings)				
General Fund	\$0	\$8,060,735	\$21,415,534	\$22,272,155
Revenue				
General Fund	\$0	(\$8,060,735)	(\$21,415,534)	(\$22,272,155)
Other Special Revenue Funds	\$0	(\$433,190)	(\$1,174,691)	(\$1,221,679)

Fiscal Detail and Notes

This amendment is expected to reduce sales and use tax collections by over \$8,000,000 in fiscal year 2004-05.