

# MAINE STATE LEGISLATURE

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DATE: 3.24.04

(Filing No. S-451)

**TAXATION**

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**STATE OF MAINE  
SENATE  
121ST LEGISLATURE  
SECOND SPECIAL SESSION**

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"

Amend the bill in section 1 in that part designated "§1811-A." in subsection 2 in the 2nd line from the end (page 1, line 19 in L.D.) by striking out the following: "an entity" and inserting in its place the following: 'a person'

Further amend the bill by striking out all of section 2 and inserting in its place the following:

'**Sec. 2. Effective date.** This Act takes effect July 1, 2005 and applies to accounts charged off as worthless on or after July 1, 2005.'

**SUMMARY**

This amendment changes a reference from "entity" to "person" to clarify the definition of "related finance company, removes the retroactivity provision and adds an effective date."

**FISCAL NOTE REQUIRED**  
(See attached)

**COMMITTEE AMENDMENT**



**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(02)**

**Fiscal Note for Bill as Amended by Committee Amendment 'A'**

**Committee: Taxation**

**Fiscal Note Required: Yes**

**Fiscal Note**

|                             | <b>2003-04</b> | <b>2004-05</b> | <b>Projections<br/>2005-06</b> | <b>Projections<br/>2006-07</b> |
|-----------------------------|----------------|----------------|--------------------------------|--------------------------------|
| <b>Net Cost (Savings)</b>   |                |                |                                |                                |
| General Fund                | \$0            | \$0            | \$396,264                      | \$414,096                      |
| <b>Revenue</b>              |                |                |                                |                                |
| General Fund                | \$0            | \$0            | (\$396,264)                    | (\$414,096)                    |
| Other Special Revenue Funds | \$0            | \$0            | (\$21,736)                     | (\$22,714)                     |

**Fiscal Detail and Notes**

This bill is expected to reduce sales and use tax collections by \$418,000 in fiscal year 2005-06 and \$436,810 in fiscal year 2006-07.