

MAINE STATE LEGISLATURE

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TAXATION

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
129TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 514, L.D. 709, Bill, "An Act To Exempt Certain Meals Provided to Food Service Employees from the Sales and Use Tax"

Amend the bill by striking out all of sections 1 to 6 and inserting the following:

'Sec. 1. 36 MRSA §1760, sub-§75-A is enacted to read:

75-A. Certain meals provided to employees. Meals provided to an employee at no cost by an eating establishment as defined in Title 22, section 2491, subsection 7 while the employee is actually working as a food service employee. For the purpose of this subsection, "meal" does not include alcoholic beverages.'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment provides that the tax exemption applies to meals that are provided at no cost to an employee who is actually working as a food service employee and that the exempted meals do not include alcoholic beverages. The amendment also removes the maximum meal cost limitation and inflation indexing provisions and allocates the exemption to a more appropriate subsection.

FISCAL NOTE REQUIRED

(See attached)

COMMITTEE AMENDMENT



Approved: 05/11/19 *MAC*

129th MAINE LEGISLATURE

LD 709

LR 1432(02)

An Act To Exempt Certain Meals Provided to Food Service Employees from the Sales and Use Tax

Fiscal Note for Bill as Amended by Committee Amendment *A (H-328)*

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	\$1,045,000	\$1,614,525	\$1,662,961	\$1,712,850
Revenue				
General Fund	(\$1,045,000)	(\$1,614,525)	(\$1,662,961)	(\$1,712,850)
Other Special Revenue Funds	(\$55,000)	(\$84,975)	(\$87,524)	(\$90,150)

Fiscal Detail and Notes

This bill provides a sales tax exemption for meals that are provided at no cost to employees working as food service employees and would result in a reduction in General Fund revenue of \$1,045,000 in fiscal year 2019-20 and \$1,614,525 in fiscal year 2020-21. It would also result in a reduction in Local Government Fund revenue of \$55,000 in fiscal year 2019-20 and \$84,975 in fiscal year 2020-21.