

MAINE STATE LEGISLATURE

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(Filing No. S- 432)

REPORT B

TAXATION

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STATE OF MAINE

SENATE

132ND LEGISLATURE

FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "B" to S.P. 500, L.D. 1211, "An Act Regarding Certain Definitions in the Sales and Use Tax Laws Affecting Rental Equipment and Automobiles Used in Transporting Goods"

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

'An Act Regarding Certain Definitions in the Sales and Use Tax Laws Affecting Rental Equipment'

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 36 MRSA §1752, sub-§5-D, ¶E is enacted to read:

E. Grants of a privilege to use sports or recreational equipment for a period not exceeding 7 continuous days when the value of the use of that sports or recreational equipment is less than \$100 per day and the use of the sports or recreational equipment is restricted to use on the premises of the grantor of the privilege to use the sports or recreational equipment.

As used in this paragraph:

(1) "Premises" means a building or specific area owned or leased by the grantor of the privilege or to which the grantor has an exclusive right or use of the space at which sports or recreational equipment that the grantor allows other persons to use is kept; and

(2) "Sports or recreational equipment" means items designed for human use used in conjunction with an athletic or similar recreational activity that are not suitable for general use.'

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

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COMMITTEE AMENDMENT "B" to S.P. 500, L.D. 1211 (S-432)

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SUMMARY

This amendment strikes the bill and changes the title. The amendment exempts short-term grants of a privilege to use sports and recreational equipment, based on the length of the grant, the value of the property and where the equipment is used.

FISCAL NOTE REQUIRED

(See attached)

COMMITTEE AMENDMENT

**132nd MAINE LEGISLATURE****LD 1211****LR 1359(02)****An Act Regarding Certain Definitions in the Sales and Use Tax Laws Affecting Rental Equipment and Automobiles Used in Transporting Goods**

Fiscal Note for Bill as Amended by Committee Amendment "B" (S-432)
Committee: Taxation
Fiscal Note Required: Yes

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$97,000	\$93,000	\$180,000	\$186,000
Revenue				
General Fund	(\$97,000)	(\$93,000)	(\$180,000)	(\$186,000)
Other Special Revenue Funds	(\$4,000)	(\$5,000)	(\$9,000)	(\$10,000)

Fiscal Detail and Notes

This bill would result in a revenue decrease to the General Fund of \$97,000 in fiscal year 2025-26 and \$93,000 in fiscal year 2026-27 by excluding from sales and use tax certain short-term grants of a privilege to use sports and recreational equipment based on the length of the grant, the value of the use of the property, and where the equipment is used. The bill would also result in a revenue decrease to the Local Government Fund of \$4,000 in fiscal year 2025-26 and \$5,000 in fiscal year 2026-27.