

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SECOND LEGISLATURE

Legislative Document

No. 798

H. P. 606

House of Representatives, January 28, 1965

Referred to Committee on Taxation. Sent up for concurrence and ordered printed.

JEROME G. PLANTE, Clerk

Presented by Mr. Ross of Bath.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-FIVE

AN ACT to Increase Cigarette Tax Two Cents.

Emergency preamble. Whereas, the essential needs of State Government require that additional revenue be raised by this Legislature; and

Whereas, the revenue to be collected under the provisions of this Act may not be sufficient to provide for said needs during the next fiscal biennium unless the tax is imposed on and after the date of the beginning of the next fiscal year, namely, July 1, 1965; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine, and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. R. S., T. 36, § 4365, amended. The first sentence of section 4365 of Title 36 of the Revised Statutes is amended to read as follows:

'A tax is imposed on all cigarettes held in this State by any person for sale, said tax to be at the rate of $\$$ 4 mills for each cigarette and the payment thereof to be evidenced by the affixing of stamps to the packages containing the cigarettes.'

Sec. 2. R. S., T. 36, § 4365, amended. The next to the last sentence of section 4365 of Title 36 of the Revised Statutes is amended to read as follows:

'The Tax Assessor thereupon shall notify the unclassified importer of the amount of the tax due thereon, which shall be at the rate of $\$$ 4 mills per cigarette.'

Sec. 3. R. S., T. 36, § 4366, amended. The 2nd sentence of section 4366 of Title 36 of the Revised Statutes is amended to read as follows:

'To licensed distributors he shall sell such cigarette stamps at a discount of ~~3%~~ 2¼% of their face value.'

Sec. 4. Cigarettes on hand; stamping or accounting; waiver provision. The State Tax Assessor may by regulation waive for a period of not over 7 days following the effective date of this Act, payment of additional tax by retail dealers with respect to stocks of cigarettes properly stamped at the rate of 3 mills per cigarette sold during such period, provided such stocks were on hand as of the effective date of this Act; and pursuant thereto, the State Tax Assessor may also waive for the same period the application to retail dealers of Title 36, sections 4369, 4370 and 4372 as respects such cigarettes.

Nothing herein shall be construed to authorize any distributor or subjobber to distribute to any retail outlet cigarettes not properly stamped at the rate of 4 mills per cigarette.

Cigarettes in the hands of retail dealers subsequent to the period of waiver provided for above, not properly stamped at the rate of 4 mills per cigarette, shall be subject to confiscation under the provisions of Title 36, section 4372; and such retailer shall be subject to any other penalties by law provided.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect July 1, 1965.

STATEMENT OF FACTS

It is estimated that this Act will produce \$5,000,000 in additional revenue during the coming biennium.