

MAINE STATE LEGISLATURE

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(EMERGENCY)

ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 408

H. P. 288

House of Representatives, January 26, 1967

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

BERTHA W. JOHNSON, Clerk

Presented by Mr. Cottrell, Jr. of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-SEVEN

AN ACT Increasing the Sales Tax.

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 this Act may not be sufficient to provide for said needs during the next fiscal biennium unless the tax is imposed on retail sales made on and after the date of the beginning of the next fiscal year, namely, July 1, 1967; 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, § 1811, amended. The first paragraph of section 1811 of Title 36 of the Revised Statutes, as amended by section 6 of chapter 362 of the public laws of 1965, is further amended to read as follows:

A tax is imposed at the rate of ~~4%~~ 5% on the value of all tangible personal property and telephone and telegraph service sold at retail in this State, and upon the rental charged for living quarters in hotels, rooming houses, tourist or trailer camps, measured by the sale price, except as in chapters 211 to 225 provided. Retailers shall pay such tax at the time and in the manner provided, and it shall be in addition to all other taxes.

Sec. 2. R. S., T. 36, § 1812, amended. The first 2 paragraphs of section 1812 of Title 36 of the Revised Statutes are repealed and the following enacted in place thereof:

Every retailer shall add the sales tax imposed by chapters 211 to 225, or the average equivalent of said tax, to his sale price, except as otherwise provided, and when added the tax shall constitute a part of the price, shall be a debt of the purchaser to the retailer until paid and shall be recoverable at law in the same manner as the purchase price. When the sale price shall involve a fraction of a dollar, the tax shall be added to the sale price upon the following schedules:

Amount of Sale Price	Amount of Tax
\$0.01 to \$0.10, inclusive	0c
.11 to .20, inclusive	1c
.21 to .40, inclusive	2c
.41 to .60, inclusive	3c
.61 to .80, inclusive	4c
.81 to .99, inclusive	5c

When the sale price exceeds 99c, the tax to be added to the price shall be 5c for each whole dollar, plus the amount indicated for each fractional part of dollar.

Sec. 3. R. S., T. 36, § 1861, amended. The first sentence of section 1861 of Title 36 of the Revised Statutes is amended to read as follows:
A tax is imposed on the storage, use or other consumption in this State of tangible personal property, purchased at retail sale ~~on and after July 1, 1963~~, at the rate of ~~4%~~ 5% of the sale price.

Sec. 4. Effective date. Sales and use tax liability accruing after June 30, 1967 shall be computed on the basis of the rates imposed by this Act. Retail sales and purchases made after June 30, 1967, including retail sales and purchases made pursuant to contracts entered into prior thereto and telephone and telegraph charges first billed on or after July 1, 1967, shall be subject to the taxes imposed by this Act.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

STATEMENT OF FACTS

It is estimated that this Act will produce \$12,500,000 during the fiscal year ending June 30, 1968 and \$14,000,000 during the fiscal year ending June 30, 1969.