

MAINE STATE LEGISLATURE

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ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 1116

H. P. 769 House of Representatives, February 23, 1967
Referred to Committee on Taxation. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk
Presented by Mr. Hewes of Cape Elizabeth.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-SEVEN

AN ACT Providing for a Credit Against Sales and Use Tax on Industrial Machinery and Equipment.

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

Sec. 1. R. S., T. 36, § 1752, sub-§ 5-A, additional. Section 1752 of Title 36 of the Revised Statutes, as amended, is further amended by adding a new subsection 5-A, to read as follows:

5-A. Industrial machinery and equipment. "Industrial machinery and equipment" means machinery or equipment used in the process of producing tangible personal property, gas, water or electricity, for sale, by manufacturing, processing, generating, assembling, refining, mining or extracting, or telephone central office equipment or station apparatus or comparable telegraph equipment for use directly or exclusively in receiving at destination or initiating and switching telephone or telegraph communication but not including tools or supplies used in connection with such machinery, equipment or apparatus.

Sec. 2. R. S., T. 36, c. 216, additional. Title 36 of the Revised Statutes is amended by adding a new chapter 216, to read as follows:

CHAPTER 216

CREDIT FOR INDUSTRIAL MACHINERY AND EQUIPMENT

§ 1880. Credit for industrial machinery and equipment

Every person subject to a sales or use tax imposed by chapters 211 to 225 upon the sale, storage, use or other consumption of industrial machinery and equipment shall be entitled to a credit upon such tax of an amount equal to $\frac{1}{2}$ thereof.

STATEMENT OF FACTS

It is estimated that there will be a loss of revenue for 9 months of the fiscal year ending June 30, 1968 in the amount of \$1,040,000 and for the fiscal year ending June 30, 1969 in the amount of \$1,425,000.