

MAINE STATE LEGISLATURE

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New Draft of: H. P. 752, L. D. 1021

ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 1677

H. P. 1277

House of Representatives, April 16, 1971

Reported by Mr. Ross from Committee on Taxation and printed under Joint Rules No. 18.

BERTHA W. JOHNSON, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

**AN ACT Relating to Clarifying the Sales Tax Law as It Relates to
Gratuities and Service Charges in Eating Establishments.**

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

R. S., T. 36, § 1752, sub-§ 14, amended. The 3rd sentence of subsection 14 of section 1752 of Title 36 of the Revised Statutes is amended to read as follows:

“Sale price” shall not include allowances in cash or by credit made upon the return of merchandise pursuant to warranty, or the price of property returned by customers when the full price thereof is refunded either in cash or by credit, nor shall “sale price” include the price received for labor or services used in installing or applying or repairing the property sold, if separately charged or stated nor shall “sale price” include an amount charged or collected, in lieu of a gratuity or tip, as a specifically stated service charge, when said amount is to be disbursed by a hotel, motel, restaurant or other eating establishment to its employees as wages, nor shall a sales tax be charged or collected on the value in money of meals and all lodging provided to employees at their place of employment when the amount of said value in money is allowed as a credit towards the wages of said employees.