

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 1465

H. P. 1130

House of Representatives, March 13, 1973

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

E. LOUISE LINCOLN, Clerk

Presented by Mr. Hoffses of Camden.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-THREE

AN ACT Relating to Sales Tax on Farm Machinery and Equipment.

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

Sec. 1. R. S., T. 36, § 1752, sub-§ 2-A, additional. Section 1752 of Title 36 of the Revised Statutes is amended by adding a new subsection 2-A to read as follows:

2-A. Farm machinery and equipment. "Farm machinery and equipment" means any property to be used directly in agricultural production. For the purpose of this subsection an "agricultural product" is defined as the final product of any farming activity engaged in as a business. "Farm machinery and equipment" shall also mean:

A. Equipment and implements used in seeding, cultivating, irrigation, crop pest control, fertilization and harvesting, such as plows, sprayers, mowers, fertilizer distributors, dusters, seeders, combines, harvesters and farm tractor accessories;

B. Equipment and implements used directly in the feeding and care of livestock, poultry and other productive farm animals, such as incubators, milking machines, poultry feeders and barn cleaners;

C. Equipment used directly in storing and protecting agricultural products on the farm prior to shipment to market, such as milk coolers, refrigeration equipment and handling equipment.

Sec. 2. R. S., T. 36, § 1766, additional. Title 36 of the Revised Statutes is amended by adding a new section 1766 to read as follows:

§ 1766. Trade-in credit for farm machinery and equipment

When one or more items of farm machinery or equipment are traded in toward the sale price of another item of farm machinery or equipment, the tax imposed by chapters 211 to 225 shall be levied only upon the difference between the sale price of the purchased farm machinery or equipment and the sale price of the farm machinery or equipment taken in trade.

STATEMENT OF FACT

The Bureau of Taxation estimates a cost to the State of \$52,000 for the first year of the biennium and \$78,000 for the 2nd year if this exemption is granted.