

MAINE STATE LEGISLATURE

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(EMERGENCY)
FIRST SPECIAL SESSION

ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 2111

H. P. 1718

House of Representatives, January 2, 1974

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

E. LOUISE LINCOLN, Clerk

Presented by Mr. Morton of Farmington.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FOUR

**AN ACT to Correct an Error in the Effective Date of the Law Exempting
"Trade-in" Property from the Stock in Trade Tax.**

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the 106th Legislature by chapter 589 of the public laws of 1973 exempted "trade-in" property from the stock in trade tax, which law became effective October 3, 1973; and

Whereas, the 106th Legislature in enacting chapter 592, section 13 which would completely exempt inventories from taxation inadvertently repealed said chapter 589 since it will become effective April 1, 1974; and

Whereas, the following legislation is vitally necessary to prevent undue hardship on many Maine inhabitants and to give effect to the legislative intent; 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 R. S., T. 36, § 655, sub-§ 1, ¶ O, repealed. Paragraph O of subsection 1 of section 655 of Title 36 of the Revised Statutes, as enacted by chapter 589 of the public laws of 1973, is repealed.

Sec. 2. R. S., T. 36, § 655, sub-§ 1, ¶ P, additional. Subsection 1 of section 655 of Title 36 of the Revised Statutes, as last repealed and replaced by section 13 of chapter 592 of the public laws of 1973, is amended by adding a new paragraph P to read as follows:

P. The average amount, during the preceding taxable year or any portion of that period when the business has not been carried on for a year, of personal property constituting stock in trade obtained as a "trade-in" for property sold in the regular course of business provided a separate inventory of the traded-in items is maintained.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect April 1, 1974.

STATEMENT OF FACT

The purpose of this bill is reflected in the emergency preamble.