

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 665

S. P. 197

In Senate, February 18, 1975

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

HARRY N. STARBRANCH, Secretary

Presented by Senator Thomas of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT to Change the Sales Tax Basis on Fuel Oil from Price to Volume.

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

36 MRSA § 1760, sub-§ 9, is amended to read:

9. **Coal, oil and wood.** Coal, oil, wood and all other fuels, except gas and electricity, when bought for cooking and heating in homes, hotels and apartment houses, and other buildings designed both for human habitation and sleeping, and fuel oil when bought for consumption in industrial and manufacturing processes, including the generation of electric power, to the extent the sale price exceeds \$8.40 per 42-gallon barrel;

FISCAL NOTE

It is anticipated that this bill would result in a loss of revenue to the State of Maine during the next fiscal year of 2.5 million dollars.

STATEMENT OF FACT

Fast rising oil prices resulted in windfall tax revenues to the State of approximately 8.5 million dollars and created burdensome tax obligations to the purchaser and ultimately the consumer. This Act would provide an equitable stabilizing basis for taxation based upon volume and not per unit price.