

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 1644

H. P. 1332

House of Representatives, April 2, 1975

On Motion of Mr. Drigotas of Auburn, referred to Committee on Taxation.
Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Cooney of Sabattus.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT Establishing an Occupancy Tax for Persons Staying at a Hotel
or Rooming House.

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

Sec. 1. 36 MRSA c. 719 is enacted to read:

CHAPTER 719

OCCUPANCY TAX

§ 4821. Occupancy tax

1. Rental of a bedroom in hotel or rooming house. There is imposed on any person who rents a bedroom in any hotel or rooming house, as defined in chapter 211, a tax at the rate of \$1 per bedroom for every day of occupancy.

2. Occupancy tax not subject to sales tax. The occupancy tax shall not be subject to the sales tax assessed under chapter 213.

3. Continuous residency. The occupancy tax shall not apply to any person who resides continuously for 28 days at any one hotel or rooming house. Tax paid by such person to the retailer during the initial 28-day period shall be refunded by the retailer. Such tax reported and paid to the State by the retailer may be taken as a credit by the retailer for the month in which refund was made to the tenant.

4. Rules and regulations. The State Tax Assessor may promulgate rules and regulations for the administration of the tax established by this chapter. If the State Tax Assessor fails to promulgate such rules and regulations, the administrative provisions of chapters 211 to 225 shall apply to this chapter.

Sec. 2. Appropriation. There is appropriated from the General Fund to the Department of Finance and Administration, Bureau of Taxation, the sum of \$79,220 to carry out the purposes of this Act. The breakdown shall be as follows:

	1975-76	1976-77
FINANCE AND ADMINISTRATION, DEPARTMENT OF		
Bureau of Taxation		
Personal Services	(3) \$ 9,680	(3) \$19,663
All Other	27,234	21,968
Capital Expenditures	675	—
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	\$37,589	\$41,631

FISCAL NOTE

It is projected that if this tax takes effect June 1, 1975, it would result in an increase in income to the General Fund of approximately \$6,000,000 for fiscal years 1976 and 1977.

STATEMENT OF FACT

The purpose of this bill is to impose an occupancy tax of \$1 per day on persons staying in a hotel or rooming house. This tax would be in addition to the current sales tax.