

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 1898

H. P. 1619

House of Representatives, May 21, 1975

Approved for introduction by a Majority of the Committee on Reference of Bills pursuant to Joint Rule 10. Referred to the Committee on Taxation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Morin of Old Orchard Beach.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT to Enact a Local Rental Tax Law.

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

36 MRSA c. 911 is enacted to read:

CHAPTER 911

LOCAL RENTAL TAX

§ 7001. Local rental tax

Any municipality may by action of its legislative body impose a local rental tax by means of a bylaw or ordinance containing in substance the following:

1. Rate. A provision that the local rental tax at a rate of not more than 1% shall be imposed upon the rental charged for living quarters in hotels, rooming houses, tourist or trailer camps within such municipality. Such funds shall be used for public safety purposes including police, fire, ambulance service and sanitation costs as a result of an influx of tourists.

2. Application of state law. A provision that sections 1751 to 2113 and all subsequent amendments thereto after the effective date of this chapter, and any and all regulations heretofore or hereafter promulgated by the State Tax Assessor pursuant thereto, insofar as the provisions, amendments and regulations relate to the rental tax and are not inconsistent with this chapter shall apply in their entirety to such local rental tax, except that the name of the municipality as the taxing agency shall be substituted for that of the State and that an additional registration certificate shall not be required if one has been or is issued by the State Tax Assessor.

§ 7002. Administration

The State, through the State Tax Assessor, shall be responsible for the administration, collection and enforcement of the local rental tax, pursuant to chapters 211 to 225. The State shall retain 5% of the net revenue accruing under the local rental tax of each municipality for the administration, collection and enforcement of the local rental tax.

§ 7003. Transmitted to municipalities

The net revenue accruing under the local rental tax, after the 5% retained by the State is deducted, shall be transmitted periodically by the State Tax Assessor to the treasurer or other fiscal agent of each municipality, such transmittals to occur at least once in each calendar quarter.

§ 7004. Sections not mandatory

Nothing in this chapter shall require or be construed to require any municipality to impose such local rental tax.

STATEMENT OF FACT

The purpose of this bill is to provide additional revenue to participating municipalities to aid with the extra costs of such services as fire, police and maintenance services.