

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 803

H. P. 662

House of Representatives, March 8, 1977

On motion of Mr. Tierney of Lisbon Falls, referred to the Committee on Taxation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Stubbs of Hallowell.

Cosponsor: Mrs. Mitchell of Vassalboro.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

**AN ACT to Exempt Certain Nonprofit Charitable Organizations from the
Sales Tax at Fairs and Municipal Events.**

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

36 MRSA § 1760, sub-§ 37 is enacted to read:

37. Food products. Sales of all prepared food and nonalcoholic beverages made by incorporated nonprofit organizations located within the State for immediate consumption on or near the location of the retailer, at nonprofit agricultural societies' annual fairs, and at any annual events sponsored or sanctioned by a municipality for the purpose of promoting business or any charity within the State.

STATEMENT OF FACT

The purpose of this bill is to exempt certain nonprofit charitable organizations from the sales tax at fairs and municipal events. Presently, many nonprofit organizations are being forced to pay money that otherwise would go to charitable causes to the State. It is estimated that, if enacted, this bill would result in a loss of revenue of approximately \$3,750 the first year and \$5,000 the 2nd year. Ninety-six percent of the loss would be attributable to the General Fund and 4% to the Local Government Fund.