

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 916

S. P. 290

In Senate, March 16, 1977

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

MAY M. ROSS, Secretary

Presented by Senator Pierce of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

**AN ACT Exempting New Machinery and Equipment used in the Hatching
of Poultry from the Sales and Use Tax Law.**

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

Sec. 1. 36 MRSA § 1752, sub-§ 9-A is enacted to read:

9-A. Production. "Production" means manufacturing, processing, assembling, fabrication and shall also include the hatching of poultry.

Sec. 2. 36 MRSA § 1760, sub-§ 31, as last amended by PL 1973, c. 794, is repealed and the following enacted in its place:

31. New machinery and equipment. Sales of new machinery and equipment for use by the purchaser directly and primarily in the production of tangible personal property for ultimate sale or lease.

STATEMENT OF FACT

The purpose of this bill is to clarify the definition of production under the sales and use tax law. This bill also exempts new machinery and equipment used in the hatching of poultry from the sales and use tax law.

Enactment of this legislation would result in an estimated loss of revenue of approximately \$12,000 for the first year of the biennium and \$15,000 for the 2nd year of the biennium. Ninety-six percent of the decreased revenue would be attributable to the General Fund and 4% to the local government fund.