

MAINE STATE LEGISLATURE

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New Draft of: S. P. 201, L. D. 599
(New Title)

ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1638

S. P. 466

In Senate, April 19, 1977

Reported by Minority from the Committee on Liquor Control, and printed under Joint Rules No. 2.

MAY M. ROSS, Secretary

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

AN ACT to Lower the Retail Price of Alcoholic Beverages Throughout the State to Equal the Price at Kittery.

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

Sec. 1. 28 MRSA § 153, first ¶, last sentence, as last amended by PL 1975, c. 741, § 8, is repealed and the following enacted in its place:

The liquor shall be sold by the State Liquor Commission, to the special agency stores for a price of 10% less than the retail price established for the state retail store where the purchase is made, provided that such discount shall not apply to federal taxes levied on and after November 1, 1941.

Sec. 2. 28 MRSA § 204, 2nd sentence, as last amended by PL 1971, c. 268, § 1, is repealed as follows:

~~The commission shall sell to such licensees spirituous and vinous liquor except table wine, for a price of 10% less than the retail price established for the state retail store where the purchase is made provided that such discount shall not apply to federal taxes levied on and after November 1, 1941~~

Sec. 3. 28 MRSA § 451, first ¶, as last amended by PL 1967, c. 544, § 66, is repealed and the following enacted in its place:

§ 451. Consumers' tax

All spirits and wines, except table wines, shall be sold by the commission at a price to be determined by the commission which shall be competitive with the retail price for similar spirits and wines sold at retail in neighboring states, provided that the price determined shall produce a state liquor tax of not less than 30% based on the less carload cost F.O.B., State Liquor Commission warehouse. In addition thereto, there shall be levied and imposed an

excise tax of 75¢ per gallon on wines containing more than 14% alcohol by volume. Notwithstanding this provision, spirits and wines sold at wholesale under section 153 may be sold at wholesale prices established pursuant to the provisions thereof. Prices for sale of spirits and wines bought by the commission from Maine licensees to manufacture liquor under section 501 shall be based on minimum truck load delivery prices F.O.B. warehouse as the same are filed with the Public Utilities Commission. Special orders by the commission for unstocked merchandise shall be priced at not less than 75% over actual cost delivered F.O.B. warehouse. In all cases the commission is authorized to round off costs to the next highest 5¢. Any increased federal taxes levied on or after November 1, 1941, shall be added to the established price without markup. All net revenue derived from such tax shall be deposited to the credit of the General Fund of the State. Notwithstanding the other provisions of this section, the commission, with approval of the Commissioner of Finance and Administration, may reduce the price of discontinued items of liquor by an amount of 10% of the listed selling price and no item shall be discontinued by the commission for a period of at least 6 months after such item has been listed and on sale in state stores.

STATEMENT OF FACT

The purpose of this bill is to lower the retail price of liquor to the Kittery price levels in all liquor stores throughout the State. This bill also removes the wholesale liquor discount for all purchasers except agency stores.

This bill may result in a loss of revenue to the General Fund, though the amount of that loss cannot be determined at this time. If the volume of liquor sales does not increase because of the lowering of prices, the estimated loss of revenue would be \$9,000,000. However, the volume of sales is likely to increase and thus the loss in revenues is likely to be less than this estimate. It is impossible to project the increase volume of sales due to lower prices.