

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

SECOND REGULAR SESSION

ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 2071

H. P. 1981

House of Representatives, January 13, 1978

Approved for introduction by the Legislative Council pursuant to Joint Rule 24.  
Referred to Committee on Taxation. Sent up for Concurrence.

EDWIN H. PERT, Clerk

Presented by Mr. Kerry of Old Orchard Beach.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-EIGHT

AN ACT Enabling Municipalities to Establish a Local Amusement or  
Entertainment Service Tax.

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

36 MRSA c. 719 is enacted to read:

CHAPTER 719

LOCAL AMUSEMENT OR ENTERTAINMENT SERVICE TAX

§ 4811. Local amusement or entertainment service tax

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

1. Rate. A provision that the local amusement or entertainment service tax, at a rate of not more than 10%, shall be imposed upon the charge for admission to, or right to participate in, amusement, entertainment or sporting events within the municipality. These funds shall be collected by the proprietor or tenant sponsoring, owning or having general control of an amusement and 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 amusement or entertainment service tax and are not inconsistent with this chapter, shall apply in their entirety to the local amusement or entertainment service 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.

#### § 4812. Administration

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

#### § 4813. Transmitted to municipalities

The net revenue accruing under the local service 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, those transmittals to occur at least once in each calendar quarter.

#### § 4814. Sections not mandatory

Nothing in this chapter shall require or be construed to require any municipality to impose a local service tax on amusements or entertainment.

### STATEMENT OF FACT

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