

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
108TH LEGISLATURE
SECOND REGULAR SESSION

(Filing No. H-1140)

HOUSE AMENDMENT "A" to H.P. 2215, L.D. 2183, Bill,
"AN ACT to Provide for Reform of the State Tax Laws."

Amend the Bill by inserting after the enacting clause
the following:

'Sec. 1. 36 MRSA §1760, sub-§9 is amended to read:

9. Coal, oil and wood. Coal, oil, wood and all other
fuels, except gas and electricity, when bought for cooking
and heating in homes, mobile homes, hotels and apartment
houses, and other buildings designed both for human habitation
and sleeping.'

Further amend the Bill in section 1 by inserting at the
end of subsection 9-B, before the semicolon, the following:

', with the exception of hotels and motels'

Further amend the Bill in section 1 by inserting at the
end of subsection 9-C, before the period, the following:

', with the exception of hotels and motels'

Further amend the Bill in section 2 by inserting after
the underlined word and comma "vehicles," in the 5th line (4th
in L.D.) the underlined words and comma 'farm tractors,' and
by inserting after the underlined word and comma "vehicle," in
the 7th line (5th in L.D.) the underlined words and comma
'farm tractor,'

Further amend the Bill in section 3 by inserting after
the underlined word "means" in the first line of paragraph
A of subsection 1 of that part designated "§2013." the
underlined word 'commercial' (same in L.D.)

Further amend the Bill in section 3 by inserting after the underlined words "primarily in" in the 2nd line of subparagraph (1) of paragraph C of subsection 1 of that part designated "§2013." the underlined word 'commercial' (same in L.D.)

Further amend the Bill in section 3 by striking out all of subparagraph (2) of paragraph C of subsection 1 of that part designated "§2013." and inserting in its place the following:

'(2) New or used watercraft used primarily for commercial fishing; and nets, traps, cables, tackle and related equipment necessary to the operation of a commercial fishing venture.'

Further amend the Bill in section 3 by inserting after the underlined words "for use in" in the 3rd line of subsection 2 of that part designated "§2013." the underlined word 'commercial' (2nd line in L.D.)

Further amend the Bill in section 3 by inserting after the underlined words "engaged in" in the 4th line of the 2nd paragraph of subsection 2 of that part designated "§2013." the underlined word 'commercial' (3rd line in L.D.)

Further amend the Bill in section 4 by inserting after the underlined word "beginning" in the first line of paragraph D the underlined words 'on or after'

Statement of Fact

The purpose of this amendment is to make necessary technical corrections listed below for technical problems which inadvertently appear in the text of both the majority and minority reports. These changes are in keeping with the original intent of both reports and are considered necessary to remove any possible conflict and confusion in interpreting or administering the applicable tax provisions.

1. Title 36, section 1760, subsection 9 includes the words "mobile homes" so as to be consistent with subsections 9-B and 9-C,

2. Title 36, section 1760, subsections 9-B and 9-C include the words "with the exception of hotels and motels" so that it is clear that the residential exemption for electricity and gas does not apply to hotels and motels,

3. Title 36, section 1765, reinserts "farm tractors" back into the trade-in section so it is clear that this trade-in credit has not been eliminated,

4. Title 36, section 2013, clarifies the intent of the bill that the sales tax refund applies to commercial farming equipment and makes more complete the description of commercial fishing equipment,

5. Title 36, sections 5102, 5122 and 5205 clarify the intent of the bill that these sections apply to all tax years beginning on or after January 1, 1978.

This amendment also corrects the appropriation for the Elderly Householders Tax and Rent Refund Act to \$1,400,000 for 1978-79, in order to reflect the Appropriation Committee's action. This will increase tax reform benefits under the bill

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to a total of \$20.655 million.

This amendment also combines into one section both the rate change and the federal law conformity changes to the franchise tax in order to simplify understanding of these changes.

Filed by Mr. Higgins of Scarborough.

Reproduced and distributed under the direction of the Clerk
of the House.
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