

FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 149

H. P. 117 On Motion of Mrs. Post of Owl's Head, referred to the Committee on Marine Resources. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Vose of Eastport.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Increase the Rate of Tax and Amend the Membership Requirements of the Sardine Council under the Sardine Tax Law.

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

Sec. 1. 36 MRSA § 4693, first ¶, 3rd sentence is amended to read:

Such The members shall be practical sardine packers, operating within the State, who shall have been actively engaged in packing sardines for not less than -52 years and each shall be so actively engaged during his continuance in office.

Sec. 2. 36 MRSA § 4695, 2nd ¶ is amended to read:

An excise tax of 25¢ 40¢ per case, as defined in section 4692, subsections 1 to 3, is levied and imposed upon the privilege of packing sardines.

Sec. 3. 36 MRSA § 4697, first sentence, as amended by PL 1979, c. 378, § 34, is further amended to read:

Every packer shall, on or before the 10th day of each month, report to the State Tax Assessor the quantity of sardines packed by him during the preceding calendar month, on forms furnished by the State Tax Assessor, and pay to the State Tax Assessor the tax of 25¢ 40¢ per case on all sardines reported as packed.

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STATEMENT OF FACT

The purposes of this bill are as follows:

1. Changes the requirement that members of the Maine Sardine Council be actively engaged in packing sardines for not less than 5 years, to make the minimum time 2 years rather than 5 years. With changes in ownership in the sardine industry, the 5 year requirement is too restrictive and prevents top management of new ownership from serving as a council member for an unrealistic period of time.

2. The excise tax which supports the Maine Sardine Council activities has not been increased since its enactment in 1951. At that time, the tax was 4.5% of the selling price of Maine sardines. At present it is 0.7% of the selling level. With increased costs, inflation and a substantially reduced pack in 1980, increased revenues are necessary to carry on the essential Maine Sardine Council activities. This bill would increase the tax from 25¢ per case to 40¢ per case.

These changes in the Sardine Tax Law are proposed by the Maine Sardine Packers Association, which is a trade association composed of all 7 of the active sardine companies in the State of Maine.