

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE
4

5 Legislative Document

No. 412

6
7 H.P. 354

House of Representatives, February 1, 1983

8 On Motion of Representative Higgins of Portland referred to the
9 Committee on Taxation. Sent up for concurrence and ordered printed.

10 EDWIN H. PERT, Clerk

11 Presented by Representative Brannigan of Portland.
Cosponsor: Representative Cashman of Old Town.

12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-THREE
16

17 AN ACT to Permit Municipalities to Levy
18 a Sales Tax on Amusement and Entertainment
19 Charges.
20

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

23 36 MRSA c.213-B is enacted to read:

24 CHAPTER 213-B

25 LOCAL OPTION ENTERTAINMENT TAX

26 §1831. General grant of power

27 Subject to this chapter, the governing body of a
28 municipality may impose by ordinance a tax of up to
29 7% of the total admission charge to any place of
30 amusement or entertainment and of the total fees

1 charged for cable television service. This tax is in
2 addition to any other tax permitted or required by
3 federal or state law.

4 §1832. Definitions

5 For purposes of this chapter, unless the context
6 otherwise indicates, the following terms have the
7 following meanings.

8 1. Admission charge. "Admission charge" means
9 the charge made for admission to any amusement or
10 entertainment or the fee or charge made to partici-
11 partate in any amusement, entertainment, athletic or
12 recreational endeavor, exclusive of any federal or
13 other tax, including a charge made for season tick-
14 ets, whether obtained by contribution or subscrip-
15 tion, a cover charge or a charge made for the rental
16 of equipment needed to participate in those endeavors
17 or any other similar charge or fee paid for admission
18 or participation in like activities including, but
19 not limited to, the installation charge and any ser-
20 vice charge for cable television services.

21 2. Place of amusement or entertainment. "Place
22 of amusement or entertainment" means any place in the
23 municipality where any of the following are located,
24 conducted, performed, exhibited or operated and for
25 which an admission charge is made: Bingo games, cir-
26 cuses, carnivals, menageries, moving picture shows,
27 fairs, shows and exhibitions of all kinds, dances,
28 baseball, basketball, hockey, football, wrestling,
29 boxing and sports of all kinds, concerts, theatrical
30 vaudeville, dramatic, operatic and musical perfor-
31 mances and similar performances; such attractions as
32 merry-go-rounds, ferris wheels, roller coasters and
33 the like, and all other public amusements, perfor-
34 mances and exhibitions not specifically named in this
35 subsection.

36 §1833. Administration

37 The State Tax Assessor shall administer the local
38 option tax permitted under this chapter. The State
39 Tax Assessor may adopt reasonable rules and prescribe
40 forms to effectuate the provisions of this chapter,
41 but adoption of the rules shall not be a prerequisite

1 to the administration of a properly adopted local
2 option tax. The State Tax Assessor shall have the
3 same powers and authority as set forth elsewhere in
4 this Part to carry out and enforce the provisions of
5 this chapter.

6 §1834. Collection

7 Every person receiving payment for admission to
8 any place of amusement or entertainment or other
9 charge on which a tax is levied shall collect the
10 amount of tax imposed by the chapter from the person
11 or persons making the payment at the time. If tick-
12 ets or cards of admission are issued, the tax shall
13 be collected at the time of issuance of the tickets
14 or cards. The taxes required to be collected shall
15 be deemed to be held in trust by the person required
16 to collect the taxes, until remitted.

17 §1835. Distribution

18 All sums collected by the State Tax Assessor on
19 behalf of a particular municipality shall be credited
20 to that municipality on a quarterly basis and shall
21 be distributed to the municipality of origin on or
22 before the 15th day of the month following the quar-
23 ter in which they were credited. The State Tax
24 Assessor may deduct therefrom the reasonable cost of
25 administering the tax, which shall not exceed 1% of
26 the total actual amount collected for the municipal-
27 ity. Any municipality adopting the local option tax
28 authorized under this chapter shall notify the State
29 Tax Assessor that the municipality has done so at
30 least 30 days prior to the effective date of the
31 ordinance imposing the tax. A copy of the ordinance
32 shall also be filed with the State Tax Assessor at
33 that time.

34 §1836. Approval of voters

35 The municipal legislative body shall hold a
36 referendum on whether or not to levy the entertain-
37 ment tax authorized under section 1831, after author-
38 izing the percentage figure to be submitted to a
39 vote. The referendum shall be held at a municipal
40 election conducted in accordance with the charter or
41 with Title 30, chapter 207, or other applicable law

1 for calling an election in that municipality. The
2 municipality shall cause the required ballots to be
3 prepared, on which shall be placed the following
4 question: "Shall the _____
5 (Name of municipality)
6 adopt an ordinance or bylaw to levy a _____ %
7 sales tax on the admission charge to any place of
8 amusement or entertainment, and of the total fees
9 charged for cable television service?"

10 If a majority of the legal voters voting at that
11 referendum are in favor of levying the entertainment
12 sales tax, the municipal officers of that municipal-
13 ity shall adopt, after notice and hearing, an ordi-
14 nance to implement the tax at the percentage rate
15 approved in the referendum.

16 STATEMENT OF FACT

17 This bill would permit municipalities to impose a
18 local option sales tax of up to 7% on the admission
19 charge to various amusement and entertainment activi-
20 ties and on the installation and monthly charges for
21 cable television service.

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