

# MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION  
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE  
4

5 Legislative Document

No. 997

6  
7 H.P. 767

House of Representatives, March 3, 1983

8 Referred to the Committee on Agriculture. Sent up for concurrence and  
9 ordered printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Lisnik of Presque Isle.

Cosponsors: Senator McBreairty of Aroostook, Representative Crouse of Washburn, and Representative Smith of Mars Hill.

11  
12 STATE OF MAINE  
13

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

17 AN ACT to Change the Method of Taxing  
18 Potatoes.  
19

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

22 Sec. 1. 36 MRSA §4562, sub-§§4 and 5, as  
23 repealed and replaced by PL 1975, c. 554, §1, are  
24 repealed and the following enacted in their place:

25 4. Potatoes. "Potatoes" means and includes all  
26 potatoes handled within the State, whether graded or  
27 ungraded, all potatoes sold for processing and all  
28 potatoes sold for processing into starch, alcohol and  
29 other value-added products, including federal diver-  
30 sion programs.

31 5. Processor. "Processor" means any person,  
32 firm or corporation in Maine engaged in processing  
33 potatoes into food, starch or other value-added prod-  
34 ucts.

1           Sec. 2. 36 MRSA §4562, sub-§5-A is enacted to  
2 read:

3           5-A. Producer. "Producer" means any person,  
4 firm or corporation engaged in the commercial produc-  
5 tion of potatoes.

6           Sec. 3. 36 MRSA §4565, as amended by PL 1977, c.  
7 651, is repealed.

8           Sec. 4. 36 MRSA §4565-A is enacted to read:

9           §4565-A. Rate of tax

10           A tax is levied and imposed as follows:

11           1. Producer tax. For a producer: \$3 per acre of  
12 potatoes planted;

13           2. Shipper tax. For a shipper: 1 1/2¢ per hund-  
14 redweight on all potatoes shipped; and

15           3. Processor tax. For a processor: 1 1/4¢ per  
16 hundredweight for all potatoes utilized.

17           Sec. 5. 36 MRSA §4567, as amended by PL 1977, c.  
18 694, §718, is further amended to read:

19           §4567. Application; certificate

20           Every producer, shipper or processor of potatoes,  
21 as defined in section 4562, shall file an application  
22 with the State Tax Assessor, on forms prescribed and  
23 furnished by the State Tax Assessor which shall con-  
24 tain the name under which ~~such~~ that producer, shipper  
25 or processor is transacting business within the  
26 State, the place or places of business and location  
27 of loading and shipping places ~~and agents of the~~  
28 ~~shipper~~; the names and addresses of the several per-  
29 sons constituting a firm or partnership and, if a  
30 corporation, the corporate name and the names and ad-  
31 dresses of its principal officers and agents within  
32 the State. The State Tax Assessor will then issue a  
33 certificate to the shipper, producer or processor and  
34 no shipper, producer or processor shall ~~may~~ sell or,  
35 ship, produce or process any potatoes, as defined in  
36 section 4562, until ~~such~~ that certificate is fur-

1 nished as required by this section. This certificate  
2 shall not be deemed to be a license within the mean-  
3 ing of that term in the Maine Administrative Procedure  
4 Act.

5 Sec. 6. 36 MRSA §4568, as repealed and replaced  
6 by PL 1975, c. 554, §6, is repealed and the following  
7 enacted in its place:

8 §4568. Producer tax payment schedule

9 Every producer, on or before July 1st, shall  
10 render a report stating the number of acres planted  
11 and location of that acreage to the State Tax Asses-  
12 sor on forms furnished by him. At the time of filing  
13 the report, the producer shall pay at least 1/4 of  
14 the tax prescribed in section 4565-A. Subsequent  
15 quarterly payments shall be due and payable on Octo-  
16 ber 1st, January 1st and April 1st of the current  
17 marketing year.

18 Sec. 7. 36 MRSA §4569, as amended by PL 1981, c.  
19 364, §58, is repealed and the following enacted in  
20 its place:

21 §4569. Records and reports

22 Every shipper and processor shall, on or before  
23 the 15th day of each month, report to the State Tax  
24 Assessor the quantity of potatoes received, sold,  
25 shipped or utilized by him during the preceding cal-  
26 endar month and any additional information which the  
27 State Tax Assessor deems pertinent, on forms fur-  
28 nished by the State Tax Assessor. At the time of  
29 filing the report, each shipper and processor shall  
30 pay to the State Tax Assessor a tax at the rate pre-  
31 scribed in section 4565-A, subsections 2 and 3.

32 Sec. 8. 36 MRSA §4570, as amended by PL 1979, c.  
33 731, §19, is further amended to read:

34 §4570. Inspections

35 The State Tax Assessor or his duly authorized  
36 agent shall have authority to enter any place of  
37 business of any ~~shipper~~ person, firm or corporation  
38 required to file a tax, or any car, boat, truck or

1 other conveyance in which potatoes are to be trans-  
2 ported and to inspect any books or records of any  
3 shipper person, firm or corporation required to file  
4 a tax for the purpose of determining what potatoes  
5 are taxable under this chapter, or for the purpose of  
6 determining the truth or falsity of any statement or  
7 return made by any shipper person, firm or corpora-  
8 tion required to file a tax, and he shall have  
9 authority to delegate such this power to the Commis-  
10 sioner of Agriculture, Food and Rural Resources, his  
11 deputies, agents, servants or employees.

12 Sec. 9. 36 MRSA §4571, sub-§4, as repealed and  
13 replaced by PL 1975, c. 554, §7, is amended to read:

14 4. Administration. For expenses in connection  
15 with administering this chapter, including employment  
16 of necessary staff and contracting for the perfor-  
17 mance of required services; participation jointly  
18 with any organization of growers, shippers and pro-  
19 cessors in this State in financing such projects,  
20 programs and activities as are complementary to the  
21 purposes of this chapter; provided that the annual  
22 sum appropriated and expended pursuant to this sub-  
23 section shall not exceed an amount equal to 20% of  
24 the total moneys received in any given year; and

25 Sec. 10. 36 MRSA §4571, sub-§5, as amended by PL  
26 1977, c. 653, §2, is further amended to read:

27 5. Balance of funds. The funds remaining  
28 together with interest accrued over and above the  
29 expenses of carrying out this chapter, including the  
30 expenditures authorized under subsections 1, 1-A, 2,  
31 3 and 4, shall not lapse, but shall be carried in a  
32 continuous carrying account to be expended for the  
33 purposes of this chapter.

34 Sec. 11. 36 MRSA §4572-A is enacted to read:

35 §4572-A. False returns; violation; civil action for  
36 collection

37 Whenever any designated taxpayer fails to pay any  
38 tax due under this chapter, within the time limited,  
39 the Attorney General shall enforce the payment of  
40 that tax by civil action against that designated

1 taxpayer for the amount of the tax, either in the  
2 Superior Court in and for the county or the District  
3 Court in the division in which that designated tax-  
4 payer has his residence or established place of busi-  
5 ness.

6 STATEMENT OF FACT

7 The primary purpose of this bill is to change the  
8 method of taxing potatoes. To do so, the bill in  
9 section 4 changes the tax on producers from 25¢ per  
10 hundredweight grown to \$3 per acre planted. In addi-  
11 tion, the bill imposes a tax on shippers at the rate  
12 of 1 1/2¢ per hundredweight of potatoes shipped, and  
13 on processors at the rate of 1 1/4¢ per hundredweight  
14 of potatoes processed.

15 The other sections of the bill reflect changes in  
16 language that were necessitated by adding shippers  
17 and processors to the list of taxable entities.

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