

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)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

(After Deadline)

FIRST REGULAR SESSION

ONE HUNDRED AND ELEVENTH LEGISLATURE

Legislative Document

No. 1421

S.P. 467

In Senate, April 6, 1983

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27.

Referred to the Committee on Taxation, sent down for concurrence and ordered printed.

Presented by Senator Perkins of Hancock. JOY J. O'BRIEN, Secretary of the Senate

Cosponsors: Representative Zirnkilton of Mount Desert, Representative Salsbury of Bar Harbor and Senator Wood of York.

STATE OF MAINE

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

AN ACT to Provide Exemptions on Sales or
Donations to State, any Political Subdivisions
or the Federal Government under the Sales
and Use Tax Law.

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

36 MRSA §1760, sub-§2, as amended by PL 1967, c. 116, is further amended to read:

2. State and political subdivisions. Sales or donations to the State or any political subdivision, or to the Federal Government, or to any unincorporated agency or instrumentality of either of them or to any incorporated agency or instrumentality of them wholly owned by them;

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16

STATEMENT OF FACT

The bill makes it clear that donations or anything resembling donations are exempt from sales and use tax. It may be necessary for the Bureau of Taxation to work out a system to accommodate such exemptions. It does not appear that such a system would be that difficult to design or implement.

The public policy benefits to such an exemption are readily apparent. Such an exemption encourages donations of public facilities to the State and local governments by eliminating one element of expense, sales and use tax, in construction of the facility. This encouragement of donations would be occurring at a time when it is increasingly difficult to raise tax money and the flow of federal money is slowing.

2828032483