

1 2	FIRST REGULAR SESSION
3 4	ONE HUNDRED AND ELEVENTH LEGISLATURE
5 6	Legislative Document No. 1700
7	H.P. 1283 House of Representatives, May 26, 1983
8	Reference to the Committee on Taxation is suggested. Ordered printed and sent up for concurrence.
. 10	EDWIN H. PERT, Clerk
	Presented by Representative Hall of Sangerville. Cosponsors: Senator Kany of Kennebec and Representative McGowan of Pittsfield.
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12 13	STATE OF MAINE
14 15 16	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-THREE
17 18 19 20	AN ACT to Provide a Sales Tax Rebate on Materials Used in the Construction of Fish Passage Facilities.
21 22	Be it enacted by the People of the State of Maine as follows:
. 23	36 MRSA §2014 is enacted to read:
24	§2014. Fish passage facilities
25	Taxes on the sale or use of materials used in the
26	construction of fish passage facilities in new,
27	reconstructed or redeveloped dams, when the fish pas-
28	sage facilities are built in accordance with plans
29	and specifications approved by the Department of
30	Inland Fisheries and Wildlife or the Department of
31	Marine Resources, shall be refundable.
32	The State Tax Assessor shall refund sales or use
33	tax paid on these construction materials upon the
34	submission by a person of the following:

1 <u>1. Certification concerning construction. A</u> 2 <u>certification from the Department of Inland Fisheries</u> 3 <u>and Wildlife or the Department of Marine Resources</u> 4 <u>that the fish passage facilities were constructed in</u> 5 <u>accordance with approved plans and specifications;</u> 6 <u>and</u>

7 2. Application for tax rebate. An application
8 for a tax rebate which shall state at a minimum the
9 construction materials purchased, its manufacturers,
10 its cost, the use of which the purchaser has made of
11 the materials, the seller from whom the purchase was
12 made, and shall be accompanied by a copy of the pur13 chase invoices.

STATEMENT OF FACT

15 The purpose of this bill is to provide a new ex-16 emption from sales and use taxes for materials used 17 in the construction of fish passage facilities that 18 are built in accordance with plans and specifications 19 approved by the Department of Inland Fisheries and 20 Wildlife and Department of Marine Resources. This 21 tax exemption will apply to any such new fish passage 22 facility.

23 Currently, the cost of fish passage facilities is 24 between \$5,000 to \$35,000 per vertical foot. This 25 cost may render otherwise feasible hydroelectric 26 projects uneconomical. A sales tax exemption on 27 materials will decrease this burden.

This bill will result in a maximum loss of revenue to the General Fund of \$10,000 each year from the sales and use tax exemption for fish passage materials. The amount of revenue will be variable from year to year and may increase on average in succeeding years.

The Bureau of Taxation estimates that this bill which provides a refund of sales tax on purchase of tangible property used in fish passage facilities results in the loss of revenue to the General Fund. There will be a loss of dedicated revenue to the Local Government Fund of (\$275) in 1983-84 and (\$400) in 1984-85.

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or about October 1, 1983. The	erefo	re, th		
	198	3-84	198	<u>34-85</u>
General Fund	(\$6,	400)	(\$9,	,600)
Local Government	(\$	275)	(\$	400)
		3	397205	51983
	or about October 1, 1983. The revenue in the first year would be General Fund	or about October 1, 1983. Therefo revenue in the first year would be red <u>198</u> General Fund (\$6,	or about October 1, 1983. Therefore, the revenue in the first year would be reduced: <u>1983-84</u> General Fund (\$6,400) Local Government (\$ 275)	<u>1983-84</u> <u>198</u> General Fund (\$6,400) (\$9,

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