

MAINE STATE LEGISLATURE

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(AFTER DEADLINE)
SECOND REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 2286

H.P. 1668 House of Representatives, February 17, 1988
Approved for introduction by a majority of the
Legislative Council pursuant to Joint Rule 27.

Reference to the Committee on Taxation suggested and
ordered printed.

EDWIN H. PERT, Clerk
Presented by Representative MELENDY of Rockland.

Cosponsored by Representatives MAYO of Thomaston, ALLEN
of Washington, and Senator TWITCHELL of Oxford.

STATE OF MAINE

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

1 AN ACT to Extend the Sales Tax Exemption on
2 Energy Use in Manufacturing to
3 Agricultural Businesses.
4

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

7 36 MRSA §1760, sub-§9-E is enacted to read:

8 9-E. Fuel and electricity used at an agricultural

1 business. Ninety-five percent of the sale price of
2 all fuel and electricity purchased for use at an
3 agricultural business. The sales or use tax rate
4 applicable to 95% of the sale price of such fuel and
5 electricity shall be progressively reduced to 0
6 according to the following schedule:

7	<u>Date of purchase</u>	<u>Sales or use tax rate</u>
8	<u>July 1, 1988, to June 30, 1989</u>	<u>3%</u>
9	<u>July 1, 1989, to June 30, 1990</u>	<u>2%</u>
10	<u>July 1, 1990, to June 30, 1991</u>	<u>1%</u>
11	<u>July 1, 1991, and thereafter</u>	<u>0%</u>

12 Each year prior to the effective date of the next
13 reduction, after the reduction beginning July 1, 1988,
14 the joint standing committee of the Legislature having
15 jurisdiction over taxation shall review the effect of
16 this subsection and report to the Legislature.

17 For the purposes of this subsection, "agricultural
18 business" means any trade, occupation, activity or
19 enterprise engaged in for the purpose of selling or
20 distributing agricultural products in this State.

21 STATEMENT OF FACT

22 The purpose of this bill is to amend a section of
23 law relating to sales tax on energy use in
24 manufacturing enacted by the Second Regular Session of
25 the 112th Legislature to extend the exemption to
26 agricultural nursery businesses.

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