

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 1353

H.P. 975

House of Representatives, April 26, 1989

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative ALLEN of Washington.

Cosponsored by Representative RUHLIN of Brewer, Representative DUFFY of Bangor and Senator EMERSON of Penobscot.

STATE OF MAINE

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

**An Act Concerning the Taxation of Entertainment Rentals, Services
and Equipment.**



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

3 **Sec. 1. 36 MRSA §1752, sub-§2-B,** as enacted by PL 1983, c.
5 859, Pt. M, §§1 and 13, is repealed and the following enacted in
its place:

7 **2-B. Cable television services.** "Cable television
9 services" means all cable television service purchased from a
cable television supplier.

11 **Sec. 2. 36 MRSA §1752, sub-§17-A, ¶¶E and F,** as enacted by PL
13 1987, c. 497, §25, are amended to read:

15 E. Fabrication services; and

17 F. Custom computer programming, including, but not limited
to, modification of a standard program; and

19 **Sec. 3. 36 MRSA §1752, sub-§17-A, ¶G** is enacted to read:

21 G. Rental of video tapes and video equipment.

23 **Sec. 4. 36 MRSA §1752, sub-§23** is enacted to read:

25 **23. Video tapes and video equipment.** "Video tapes" means
27 magnetic tapes used for recording images and sound for subsequent
playback and broadcasting. "Video equipment" means the machine
29 used to play back the video recording.

31 **Sec. 5. 36 MRSA §1811, first ¶,** as repealed and replaced by PL
1987, c. 497, §40, is amended to read:

33 A tax is imposed at the rate of 5% on the value of all
35 tangible personal property, on telephone and telegraph service,
on extended cable television service, on fabrication services
37 and on rental of video tapes and video equipment and at the rate
of 7% on the value of all other taxable services sold at retail
39 in this State. Value shall be measured by the sale price, except
as otherwise provided.

43 STATEMENT OF FACT

45 This bill adds the rental of video tapes and video equipment
47 as a taxable service for sales tax purposes and amends the
definition of cable television services so that even basic cable
television services are taxable.