

# MAINE STATE LEGISLATURE

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L.D. 1544

(Filing No. H-701 )

STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
114TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1111, L.D. 1544, "An Act Concerning an Occupancy Fee"

Amend the bill by striking out all of the title and inserting in its place the following:

'An Act Concerning an Occupancy Tax'

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'36 MRSA c. 214 is enacted to read:

CHAPTER 214

LOCAL OCCUPANCY TAX

§1821. Local occupancy tax

1. Municipal occupancy tax. A municipality may impose a local tax of not more than 2% on the value of the occupancy of a place of public accommodation for lodging.

2. Municipalities authorized to enact. Residents of a municipality who wish to enact the local occupancy tax may petition the municipal officers to enact the tax. Upon receipt of a written petition signed by at least 10% of the number of voters voting in the last statewide election, the municipal officers shall submit the question to the voters of the municipality at the next general, primary or special election. The referendum question shall read substantially as follows:

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2           "Shall the officers representing the municipality enact a  
3           local occupancy tax in the amount of (insert percentage)%?"

4           If the referendum question is approved by a majority of the legal  
5           voters voting at the election, the municipal officers  
6           representing the residents of the town or city shall, within 180  
7           days, enact the local occupancy tax.

8  
9           A municipality that enacts a local tax under this section shall  
10           notify the State Tax Assessor at least 90 days before the tax is  
11           effective.

12  
13           3. Administered by State. Retailers in a municipality  
14           imposing a local tax under this section shall pay the tax at the  
15           time and in the manner provided for the payment of state sales  
16           tax imposed under this Part and it shall be in addition to all  
17           other taxes.

18  
19           4. Payment to municipalities. Each month the State Tax  
20           Assessor shall identify the amount of revenue attributable to  
21           each municipality under this section, subtract the costs of  
22           administering this section and certify the net amount due each  
23           municipality to the Treasurer of State. The Treasurer of State  
24           shall make monthly payments of the amounts certified by the State  
25           Tax Assessor.

26  
27           5. Municipalities authorized to repeal. Residents of a  
28           municipality who wish to repeal the local tax may petition the  
29           municipal officers to repeal the tax. Upon receipt of a written  
30           petition signed by at least 10% of the number of voters voting in  
31           the last statewide election, the municipal officers shall submit  
32           the question to the voters of the municipality at the next  
33           general, primary or special election. The referendum question  
34           shall read as follows:

35  
36           "Shall the officers representing the municipality repeal the  
37           local occupancy tax?"

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39           If the referendum question is approved by a majority of the legal  
40           voters voting at the election, the municipal officers  
41           representing the residents of the town or city shall, within 180  
42           days, repeal the local occupancy tax.

43  
44           A municipality that repeals a local tax under this section shall  
45           notify the State Tax Assessor at least 90 days before the tax is  
46           repealed.

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**FISCAL NOTE**

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5 Because of the Maine Revised Statutes, Title 36, section  
1821, subsection 4 in this bill, there is no net fiscal impact to  
the State.'

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**STATEMENT OF FACT**

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This amendment strikes the entire bill and replaces it with  
a mechanism to allow municipalities to impose, subject to local  
referendum, a local occupancy tax of up to 2% of the value of  
occupancy of public accomodations for lodging.

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Reported by the Majority of the Committee on Taxation  
Reproduced and distributed under the direction of the Clerk of the  
House  
6/30/89 (Filing NO. H-701)