

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 394

H.P. 290

House of Representatives, February 6, 1995

An Act to Expand Eligibility for the Circuit Breaker Program.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative BRENNAN of Portland.

Cosponsored by Representatives: ADAMS of Portland, CHASE of China, ETNIER of Harpswell, FITZPATRICK of Durham, JOHNSON of South Portland, KILKELLY of Wiscasset, MITCHELL of Portland, MORRISON of Bangor, O'NEAL of Limestone, RICHARDSON of Portland, ROWE of Portland, SAXL of Bangor, SHIAH of Bowdoinham, STEVENS of Orono, TOWNSEND of Portland, TREAT of Gardiner, WHEELER of Bridgewater, Senator: RAND of Cumberland.

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

2 **Sec. 1. 28-A MRSA §1703, sub-§3**, as amended by PL 1993, c.
4 462, §9, is further amended to read:

6 **3. Amount of premium.** The premium imposed by subsections 1
8 and 2 is:

10 A. ~~Ten~~ Twenty cents per gallon on all malt beverages sold
12 in the State;

14 B. ~~Thirty~~ Sixty cents per gallon on all wine, other than
16 sparkling wine, sold in the State;

18 C. ~~Twenty-four~~ Forty-eight cents per gallon on all
20 sparkling wine and all fortified wine sold in the State and
22 all low-alcohol spirits products sold by a person licensed
24 to sell wine for consumption on or off the premises; and

26 D. ~~One-dollar~~ Two dollars and ~~twenty-five~~ fifty cents per
28 proof gallon as the term proof gallon is defined in the
30 United States Code, Title 26, Section 5002, on all spirits
32 sold in the State.

34 **Sec. 2. 36 MRSA §4365-D** is enacted to read:

36 **§4365-D. Rate of tax after September 30, 1995**

38 Cigarettes that have been stamped at the rate of 18.5 mills
40 for each cigarette, which are held for resale by any person after
42 September 30, 1995, are subject to tax at the rate of 33.5 mills
44 for each cigarette.

46 Any person holding cigarettes for resale is liable for the
48 difference between the 33.5 mills for each cigarette tax rate and
the 18.5 mills for each cigarette tax rate in effect prior to
October 1, 1995. Stamps evidencing payment of the tax imposed by
this section must be affixed to all packages of cigarettes held
as of October 1, 1995, for resale, except that cigarettes held in
vending machines as of October 1, 1995 need not be so stamped.

Notwithstanding any other provision of this chapter, it is
presumed that all cigarette vending machines are filled to
capacity on October 1, 1995, and the tax imposed by this section
must be reported on that basis. A credit against this inventory
tax must be allowed for cigarettes stamped at the 33.5-mill rate
placed in vending machines before October 1, 1995.

2 Payment of the tax imposed by this section must be made to
3 the State Tax Assessor before November 15, 1995, and it must be
4 accompanied by forms prescribed by the State Tax Assessor.

6 **Sec. 3. 36 MRSA §6207, sub-§1, ¶A-1**, as amended by PL 1993, c.
7 410, Pt. C, §6, is further amended to read:

8 A-1. Seventy percent of that portion of the benefit base
9 that exceeds 7.0% of income to a maximum payment of \$500
10 \$1,000.

12 **Sec. 4. 36 MRSA §6207, sub-§2**, as amended by PL 1993, c. 410,
13 Pt. C, §7, is further amended to read:

14 **2. Income eligibility.** Claimants with household incomes in
15 excess of ~~\$25,000~~ \$50,000 are not eligible for a benefit.

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STATEMENT OF FACT

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21 This bill increases the income eligibility limitation and
22 maximum benefit amount in the Maine Residents Property Tax
23 Program. Additional funds are obtained by increasing the
24 cigarette tax by 30¢ per pack of 20 and doubling the alcohol
 premium tax.