

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 531

H.P. 396

House of Representatives, February 14, 1995

An Act to Exempt Barter from All Taxation Considerations.

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 AULT of Wayne.
Cosponsored by Senator: CAREY of Kennebec.

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

4 **Sec. 1. 36 MRSA §1864** is enacted to read:

6 **§1864. No tax on bartered goods**

8 A use tax may not be imposed as a result of a transaction
10 that involves trading goods or services without the exchange of
12 money.

14 **Sec. 2. 36 MRSA §5122, sub-§5** is enacted to read:

16 **5. Barter adjustment.** The taxpayer's gain or loss as a
18 result of trading goods or services without the exchange of money
20 must be subtracted from or added to federal adjusted gross income
22 to the extent that the gain or loss is included in the taxpayer's
federal adjusted gross income.

STATEMENT OF FACT

This bill exempts barter from use and income tax liabilities.