

# MAINE STATE LEGISLATURE

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# 118th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1997

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Legislative Document

No. 518

H.P. 373

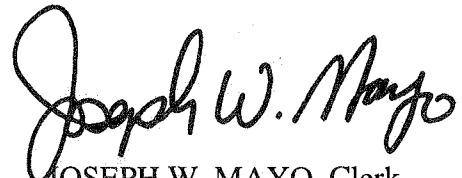
House of Representatives, January 28, 1997

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### An Act to Control Logging Exports.

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Reference to the Committee on Taxation suggested and ordered printed.

  
JOSEPH W. MAYO, Clerk

Presented by Representative GAGNE of Buckfield.  
Cosponsored by Senator FERGUSON of Oxford and  
Representatives: FISHER of Brewer, GERRY of Auburn.

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

4 **Sec. 1. 36 MRSA c. 368** is enacted to read:

6 **CHAPTER 368**

8 **VALUE ADDED TAX**

10 **§2751. Definitions**

12 As used in this chapter, unless the context otherwise  
14 indicates, the following terms have the following meanings.

16 1. Harvest. "Harvest" means cut, sever or remove for use  
or sale.

18 2. Timber. "Timber" means wood growth, that is mature or  
20 immature, growing or dead, standing or down.

22 3. Value added. "Value added" means the difference between  
24 the value of timber and the value of any product made from that  
timber, including, but not limited to, lumber, paper, furniture  
and boards.

26 **§2752. Value added tax**

28 1. Imposition of tax. A tax is imposed on the value added  
30 to any timber harvested in this State, processed outside of this  
State and returned to this State in another form. The tax is  
32 imposed on the owner of the product returned to Maine.

34 2. Rate of tax. The tax imposed by this chapter is 5% of  
the value added and is in addition to any other applicable tax.

36 **§2753. Payment of tax**

38 Within 30 days of any value added timber product entering  
40 this State, the owner shall declare the value added on forms  
supplied by the State Tax Assessor and shall pay the tax due  
42 under this chapter.

44 **SUMMARY**

46 This bill establishes a value added tax equal to 5% on  
48 products that are made outside of Maine from timber harvested in  
Maine and then returned to Maine for sale.