

# MAINE STATE LEGISLATURE

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# 118th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1997

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Legislative Document

No. 905

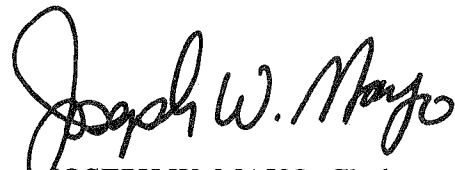
H.P. 652

House of Representatives, February 6, 1997

**An Act to Amend the State's Tax Treatment of Sale or Leaseback Financing.**

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Reference to the Committee on Taxation suggested and ordered printed.

  
JOSEPH W. MAYO, Clerk

Presented by Representative MAYO of Bath.  
Cosponsored by Senator CAREY of Kennebec and  
Representatives: BRUNO of Raymond, CAMPBELL of Holden, CIANCHETTE of South  
Portland, KNEELAND of Easton, PERRY of Bangor, SPEAR of Nobleboro, Senator:  
ABROMSON of Cumberland.

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

4 **Sec. 1. 36 MRSA §1760, sub-§31**, as amended by PL 1989, c. 501,  
Pt. V, §§4 and 5, is further amended to read:

6 **31. Machinery and equipment.** Sales or leases of machinery  
8 and equipment for use by the purchaser or lessee directly and  
primarily in either the production of tangible personal property,  
10 which property is intended to be sold or leased ultimately for  
final use or consumption, or the production of tangible personal  
12 property pursuant to a contract with the United States Government  
or any agency thereof.

14

16 **SUMMARY**

18 This bill exempts from the sales tax leases of machinery and  
equipment for use by the lessee directly and primarily in either  
20 the production of tangible personal property intended to be sold  
or leased ultimately for final use or consumption or the  
22 production of tangible personal property pursuant to a contract  
with the United States Government.