

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1998

Legislative Document

No. 5

S.P. 24

Received by the Secretary, December 21, 1998

**An Act to Permit Retailers to Retain a 1% Service Fee for Collection of
Sales Tax Revenue.**

Received by the Secretary of the Senate on December 21, 1998. Referred to the Committee on Taxation and ordered printed pursuant to Joint Rule 308.2

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator MILLS of Somerset.

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

4 **Sec. 1. 36 MRS §1951-A, sub-§3** is enacted to read:

6 3. Retention of 1%. A retailer that collects tax under
8 this Part and that files reports and makes payment under this
10 section in a timely manner may retain 1% of the amount collected
12 as compensation for the costs of collecting the tax.
14 Notwithstanding section 187-B, for the first 10 days that a
16 report or payment of tax under this Part is late, the loss of the
18 retention otherwise permitted by this subsection is the sole
20 penalty.

SUMMARY

This bill permits retailers to retain 1% of sales tax collections as a compensation for the costs of collecting the tax. A retailer that files a late report or makes a late payment may not retain the 1%. For the first 10 days that a report or payment is late, the loss of the retention is the sole penalty.