MAINE STATE LEGISLATURE

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	L.D. 1130
2	DATE: 5-3-99 (Filing No. H-391)
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6	TAXATION
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10	Reproduced and distributed under the direction of the Clerk o the House.
12	STATE OF MAINE
14	HOUSE OF REPRESENTATIVES 119TH LEGISLATURE
16	FIRST REGULAR SESSION
18	COMMITTEE AMENDMENT "A" to H.P. 807, L.D. 1130, Bill, "A
20	COMMITTEE AMENDMENT "" to H.P. 807, L.D. 1130, Bill, "A Act to Implement the Recommendations of the Task Force to Stud Telecommunications Taxation"
22	Amend the bill by striking out all of sections 5, 6, 8, 1
24	and 18.
26 28	Further amend the bill by relettering or renumbering an nonconsecutive Part letter or section number to rea consecutively.
30	Further amend the bill by inserting at the end before th
32	summary the following:
	'FISCAL NOTE
34	1999-00 2000-0
36	REVENUES
38	
40	General Fund (\$3,956,880) (\$5,999,643 Other Funds (212,646) (322,425
42	The sales and use tax changes for telecommunication equipment and services in this bill will result in net decrease
44	of sales and use tax collections by \$4,169,526 in fiscal yea 1999-00 and \$6,322,068 in fiscal year 2000-01. These ne
46	reductions of these tax collections will decrease the amount transferred to the Local Government Fund for state-municipa
48	revenue sharing in those years by \$212,646 and \$322,425
50	respectively. The resulting net reductions of General Fun

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in fiscal year 2000-01.

The Bureau of Revenue Services will incur some minor additional costs to implement these sales and use tax changes and to review telecommunications taxation including the taxation of electronic commerce and to submit reports to the joint standing committee of the Legislature having jurisdiction over taxation matters. These costs can be absorbed within the bureau's existing budgeted resources.

The additional costs associated with providing input into the review of telecommunications taxation can be absorbed by the Public Utilities Commission, the Office of the Public Advocate, the Maine Science and Technology Foundation and the Department of Economic and Community Development utilizing existing budgeted resources.'

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SUMMARY

This amendment removes provisions from the bill exempting from sales tax the sale of machinery and equipment used to provide communications service and exempting from sales tax the first \$16 monthly of residential local exchange telecommunications service. The amendment also adds a fiscal note to the bill.