

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1196

S.P. 407

In Senate, February 11, 1999

**An Act to Clarify the Amount of Meals and Lodging Tax Applicable
When an Establishment Has Take-out and On-premise Food.**

Reference to the Committee on Taxation suggested and ordered printed.

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

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator HARRIMAN of Cumberland.
Cosponsored by Representative: BUCK of Yarmouth.

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

2 **Sec. 1. 36 MRSA §1811, first¶,** as amended by PL 1993, c. 701,
4 §6 and affected by §10, is further amended to read:

6 A tax is imposed on the value of all tangible personal
8 property and taxable services sold at retail in this State. The
10 rate of tax is 7% on the value of liquor sold in licensed
12 establishments as defined in Title 28-A, section 2, subsection
14 15, in accordance with Title 28-A, chapter 43; 7% on the value of
16 rental of living quarters in any hotel, rooming house, tourist or
18 trailer camp; 10% on the value of rental for a period of less
than one year of an automobile; 7% on the value of prepared food
sold in establishments that are licensed for on-premises
consumption of liquor pursuant to Title 28-A, chapter 43; and ~~6%~~
5 1/2% on the value of all other tangible personal property and
taxable services. Value is measured by the sale price, except as
otherwise provided.

20 **Sec. 2. 36 MRSA §1811,** as amended by PL 1995, c. 281, §§18
22 and 19 and affected by §42, is further amended by adding a new
2nd paragraph to read:

24 A tax is imposed at the rate of 5 1/2% on the value of
26 prepared food sold for off-premises consumption in an
28 establishment that is licensed for on-premises consumption of
30 liquor pursuant to the Maine Revised Statutes, Title 28-A,
32 chapter 43 if the prepared food is sold in an area separate from
34 where liquor is served.

SUMMARY

36 This bill sets the sales tax at the rate of 5 1/2% on the
38 sale of prepared food for take out sold at an establishment
licensed to serve liquor if the food is sold in an area separate
from the area where liquor is being served.