

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1647

H.P. 1150

House of Representatives, March 3, 1999

An Act to Reimburse Collectors of Sales and Use Taxes.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative BUCK of Yarmouth.
Cosponsored by Representative GAGNON of Waterville.

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

4 **Sec. 1. 36 MRSA §1754-B, sub-§4 is enacted to read:**

6 **4. Collection allowance.** A person required to register
8 pursuant to this section that collects and remits taxes in
10 accordance with the provisions of this Part may deduct and retain
12 a portion of those taxes as a collection allowance for the
purpose of reimbursing that person for collecting taxes, keeping
records, preparing and filing returns, remitting taxes and
supplying data to the Maine Revenue Services on request.

14 **A.** A collection allowance deducted and retained by a person
16 pursuant to this subsection may equal up to 2.5% of the
taxes collected by that person during the reporting period
18 but may not exceed \$50 per month per business. If a
business registered pursuant to this section has more than
one location, only one of the affiliated businesses may
20 qualify for the collection allowance. For purposes of this
paragraph an "affiliated business" is one that is owned by
the same person or entity.

22 **B.** The collection allowance does not apply to taxes
24 collected by a state, county or municipal agency.

26 **SUMMARY**

28 This bill permits persons that are required to register
30 under Maine's sales and use tax law to deduct and retain an
amount equal to up to 2.5% of the sale and use taxes they
32 collect, but not exceeding \$50 per month per affiliated business,
as reimbursement for the expenses they incur in the collection of
34 sales and use taxes on behalf of the State.