

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 531

H.P. 410

House of Representatives, February 6, 2001

An Act to Reimburse Collectors of Sales and Use Taxes.

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative BUCK of Yarmouth.
Cosponsored by Senator GAGNON of Kennebec and
Representatives: BOWLES of Sanford, BUMPS of China, GAGNE of Buckfield, GREEN of
Monmouth, MURPHY of Berwick, PERRY of Bangor, STANLEY of Medway.

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

2
4 Sec. 1. 36 MRSA §1754-B, sub-§4 is enacted to read:

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

20 A. A collection allowance deducted and retained by a person
22 pursuant to this subsection may equal up to 2.5% of the
24 taxes collected by that person during the reporting period
26 but may not exceed \$50 per month per business. If a
28 business registered pursuant to this section has more than
30 one location, only one of the affiliated businesses may
32 qualify for the collection allowance. For purposes of this
34 paragraph, "affiliated businesses" are those owned by the
 same person or entity.

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

SUMMARY

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