

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

123

L.D. 1044

DATE: 4-24-01

(Filing No. H-155)

MAJORITY TAXATION

2
4
6
8
10
12
14
16
18
20
22
24
26
28
30
32
34
36
38
40
42
44
46
48

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 800, L.D. 1044, Bill, "An Act to Exempt Bottled Water from State Sales Tax"

Amend the bill in section 2 by striking out all of subsection 3 and inserting in its place the following:

'3. Grocery staples. Sales of grocery staples, including sales of bottled water in containers of one gallon or more. For purposes of this subsection, "water" means water that is not carbonated, flavored or distilled.'

Further amend the bill by inserting after section 2 the following:

'Sec. 3. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

2001-02

ADMINISTRATIVE AND FINANCIAL SERVICES,
DEPARTMENT OF

Bureau of Revenue Services

All Other \$6,000

Provides funds for the one-time costs associated with notifying retailers of the new sales tax exemption for certain bottled water.'

COMMITTEE AMENDMENT

Further amend the bill by inserting at the end before the summary the following:

FISCAL NOTE

	2001-02	2002-03
APPROPRIATIONS/ALLOCATIONS		
General Fund	\$6,000	
REVENUES		
General Fund	(499,717)	(\$696,077)
Other Funds	(26,855)	(37,408)

The extension of the sales tax exemption to certain bottled water sold in containers of one gallon or more will decrease sales and use tax collections by \$526,572 in fiscal year 2001-02 and \$733,485 in fiscal year 2002-03. The reduction of these tax collections will decrease the amounts transferred to the Local Government Fund for state-municipal revenue sharing in those years by \$26,855 and \$37,408, respectively. The resulting net reductions of General Fund revenue will be \$499,717 in fiscal year 2001-02 and \$696,077 in fiscal year 2002-03. This estimate assumes an effective date of October 1, 2001.

The bill provides a General Fund appropriation of \$6,000 in fiscal year 2001-02 to the Bureau of Revenue Services within the Department of Administrative and Financial Services for the one-time costs associated with notifying retailers of the exemption.

SUMMARY

This amendment restricts the sales tax exemption to bottled water sold in containers of one gallon or more and excludes distilled water. The amendment also adds an appropriation and a fiscal note.