

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 911

H.P. 668

House of Representatives, February 20, 2003

An Act To Exempt All Casual Sales from Taxation

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative SNOWE-MELLO of Poland.
Cosponsored by Representatives: BERUBE of Lisbon, DAVIS of Falmouth, HEIDRICH of Oxford, JOY of Crystal, TRAHAN of Waldoboro, Senator: CARPENTER of York.

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

Sec. 1. 36 MRSA §1764, as amended by PL 1999, c. 518, §1, is repealed.

Sec. 2. 36 MRSA §1861, as amended by PL 1995, c. 640, §6, is further amended to read:

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§1861. Imposition

A tax is imposed, at the respective rate provided in section 1811, on the storage, use or other consumption in this State of tangible personal property or a service, the sale of which would be subject to tax under section ~~1764~~ 1811. Every person so storing, using or otherwise consuming is liable for the tax until the person has paid the tax or has taken a receipt from the seller, as duly authorized by the assessor, showing that the seller has collected the sales or use tax, in which case the seller is liable for it. Retailers registered under section 1754-B or 1756 shall collect the tax and make remittance to the assessor. The amount of the tax payable by the purchaser is that provided in the case of sales taxes by section 1812. When tangible personal property purchased for resale is withdrawn from inventory by the retailer for the retailer's own use, use tax liability accrues at the date of withdrawal.

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SUMMARY

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Currently, a casual sale, defined in the Maine Revised Statutes, Title 36, section 1752, subsection 1-D as "an isolated transaction in which tangible personal property or a taxable service is sold other than in the ordinary course of repeated and successive transactions of like character by the person making the sale," is exempt from sales and use tax. Not exempt from sales tax, however, are casual sales involving the sale of motor vehicles, watercraft, camper trailers and truck campers, special mobile equipment, livestock trailers and aircraft.

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This bill extends the sales tax exemption to all casual sales.