

# MAINE STATE LEGISLATURE

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*MS*

L.D. 169

DATE: *3/24/05*

(Filing No. H- *79*)

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TAXATION  
*Minority*

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
122ND LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "*B*" to H.P. 120, L.D. 169, Bill, "An Act To Amend the Law Regarding Resale Certificates"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

**Sec. 1. 36 MRSA §1754-B, sub-§2-B**, as enacted by PL 2003, c. 673, Pt. AAA, §2, is amended to read:

**2-B. Resale certificates.** The assessor shall issue a ~~provisional~~ resale certificate to each applicant ~~for--initial registration that had \$3,000 in gross annual sales in the previous 12 months or~~ that states on its application that it expects to make annual gross sales of ~~\$10,000~~ **\$3,000** or more. A ~~provisional--resale--certificate--issued--between--January--1st--and--September--30th--is--effective--for--the--duration--of--the--calendar--year--in--which--it--is--issued.--A--provisional--resale--certificate--issued--between--October--1st--and--December--31st--is--effective--until--the--end--of--the--next--succeeding--calendar--year.~~ Each certificate must contain the name and address of the retailer, ~~the expiration date of the certificate~~ and the certificate number. ~~If a vendor has a true copy of a retailer's resale certificate on file, that retailer need not present the certificate for each subsequent transaction with that vendor during the calendar year for which it is valid.~~

**Sec. 2. 36 MRSA §1754-B, sub-§2-C**, as enacted by PL 2003, c. 673, Pt. AAA, §2, is repealed.

**Sec. 3. Appropriations and allocations.** The following appropriations and allocations are made.

**COMMITTEE AMENDMENT**

R.O'S

COMMITTEE AMENDMENT "B" to H.P. 120, L.D. 169

2 ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

4 Maine Revenue Services 0002

6 Initiative: Provides one-time funds for the printing and mailing  
costs associated with the change in resale certificates.

8	<b>GENERAL FUND</b>	<b>2005-06</b>	<b>2006-07</b>
10	All Other	\$4,000	\$0
12	<b>GENERAL FUND TOTAL</b>	<u>\$4,000</u>	<u>\$0</u>

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**SUMMARY**

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18 This amendment is the minority recommendation of the Joint  
Standing Committee on Taxation. It changes the threshold for  
20 issuance of resale certificates from \$10,000 to \$3,000 in annual  
gross sales and restores the law to its status prior to 2004 by  
deleting any expiration date for resale certificates.

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**FISCAL NOTE REQUIRED**  
(See attached)



# 122nd MAINE LEGISLATURE

LD 169

LR 0044(03)

## An Act To Amend the Law Regarding Resale Certificates

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Minority Report

### Fiscal Note

	2005-06	2006-07	Projections 2007-08	Projections 2008-09
<b>Net Cost (Savings)</b>				
General Fund	\$45,333	\$92,282	\$105,571	\$114,784
<b>Appropriations/Allocations</b>				
General Fund	\$4,000	\$0	\$0	\$0
<b>Revenue</b>				
General Fund	(\$41,333)	(\$92,282)	(\$105,571)	(\$114,784)
Other Special Revenue Funds	(\$2,267)	(\$5,062)	(\$5,791)	(\$6,296)

#### Fiscal Detail and Notes

The change in the issuance of resale certificates will result in a General Fund revenue loss of \$41,333 in fiscal year 2005-06 and \$92,282 in fiscal year 2006-07. This bill also includes a one-time General Fund appropriation of \$4,000 in fiscal year 2005-06 for Maine Revenue Services for the additional printing and mailing costs associated with these changes.



Sec.   x   **Appropriations and Allocations.** The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

**Maine Revenue Services 0002**

Initiative: Provides one-time funds for the printing and mailing costs associated with the change in resale certificates.

<b>GENERAL FUND</b>	<b>2005-06</b>	<b>2006-07</b>
All Other	\$4,000	\$0
<b>GENERAL FUND TOTAL</b>	<u>\$4,000</u>	<u>\$0</u>