

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 672

H.P. 492

House of Representatives, February 8, 2005

**An Act To Promote Ornamental Horticulture by Amending the
Definition of "Commercial Agricultural Production"**

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative FLETCHER of Winslow.
Cosponsored by Representatives: KAELIN of Winterport, SMITH of Monmouth, Senator
NUTTING of Androscoggin and
Representatives: FINCH of Fairfield, FITTS of Pittsfield, MAREAN of Hollis, SAVIELLO of
Wilton.

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

4 **Sec. 1. 36 MRSA §1752, sub-§1-H** is enacted to read:

6 **1-H. Commercial agricultural production.** "Commercial
8 agricultural production" means commercial production of crops and
10 livestock for human and animal use, including, but not limited
12 to, the commercial production of sod; fruits; seeds; all
14 greenhouse crops and perennials; cut flowers; herbs; nursery
stock as defined in Title 7, section 2211, subsection 4; poultry;
field crops; cultivated or pasture hay; and farm woodlot
products, including Christmas trees and maple syrup. "Commercial
agricultural production" includes the raising and keeping of
equines and bees.

16 **Sec. 2. 36 MRSA §1752, sub-§17-B,** as enacted by PL 2003, c.
18 673, Pt. V, §19 and affected by §29, is amended to read:

20 **17-B. Taxable service.** "Taxable service" means the rental
22 of living quarters in a hotel, rooming house, tourist or trailer
24 camp; the transmission and distribution of electricity; the
rental or lease of an automobile; and the sale of prepaid calling
service; and the sale of an automobile extended warranty.

26 **Sec. 3. 36 MRSA §1760, sub-§7,** as amended by PL 1997, c. 550,
§1, is further amended to read:

28 **7. Products used in aquacultural and commercial**
30 **agricultural production, and bait.** Sales of seed, feed, hormones,
weed killers, defoliants, litter and medicines used in
32 ~~agricultural---and aquacultural and commercial agricultural~~
production and sales of bait to commercial fishermen.
34 ~~Agricultural--production--includes--the--raising--and--keeping--of~~
~~equines.~~

36 **Sec. 4. 36 MRSA §2013, sub-§1, ¶A,** as amended by PL 1993, c.
38 151, §1, is repealed.

40 **SUMMARY**

42 This bill makes the following changes to the Sales and Use
44 Tax Law with respect to commercial agriculture.

46 1. It enacts a definition of "commercial agricultural
48 production" for purposes of the laws governing sales tax.

2 2. It specifies that the sales tax exemption contained in
the Maine Revised Statutes, Title 36, section 1760, subsection 7
applies to products used in commercial agricultural production.

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3. It imposes a sales tax on automobile extended warranties.