

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 705

H.P. 500

House of Representatives, February 10, 2005

An Act To Relieve the Income Tax Burden in the State through Revenue-neutral Means

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative FAIRCLOTH of Bangor.
Cosponsored by Senator MILLS of Somerset and
Representatives: CUMMINGS of Portland, DUPLESSIE of Westbrook, HUTTON of
Bowdoinham, LERMAN of Augusta, NORTON of Bangor, PERRY of Calais, PINEAU of
Jay, Senator: BRENNAN of Cumberland.

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

4 **CONCEPT DRAFT**
6 **SUMMARY**

8 This bill is a concept draft pursuant to Joint Rule 208.

10 This bill proposes the following:

12 1. To increase the tax on alcohol sold by the glass from 7%
to 10%;

14 2. To increase the excise and premium taxes by 30¢ on wine;

16 3. To increase the excise and premium taxes by 30¢ on beer;

18 4. To increase the cigarette tax by 50¢;

20 5. To increase the tobacco products tax, exclusive of the
22 cigarette tax, from 16% to 62% on smoking tobacco and from 62% to
75% on smokeless tobacco;

24 6. To increase the meals and lodging tax from 7% to 10% for
26 the months of May, June, July, August, September and October only;

28 7. To establish a soft drink tax of \$4 per gallon of soft
drink syrup and 42¢ per gallon of bottled soft drinks; and

30 8. To increase the income level at which the highest
marginal income tax rate is imposed.