

# MAINE STATE LEGISLATURE

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Ms.  
R. S.

COMMITTEE AMENDMENT "A" to S.P. 815, L.D. 2084

1

L.D. 2084

Date: 4-3-06  
2

(Filing No. S-551)

3

**Taxation**

4

Reproduced and distributed under the direction of the Secretary of the Senate.

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**STATE OF MAINE**

6

**SENATE**

7

**122ND LEGISLATURE**

8

**SECOND REGULAR SESSION**

9

COMMITTEE AMENDMENT "A" to S.P. 815, L.D. 2084, Bill, "An Act To Clarify  
10 the Taxable Status of Parts Provided under a Service Contract"

11 Amend the bill in section 1 by striking out all of subsection 31-A and inserting in its  
12 place the following:

13 '31-A. Machinery and equipment repair parts. Parts used in the performance of a  
14 service contract for the repair of machinery and equipment for any organization or  
15 government agency if the parts would have been exempt under this section if purchased  
16 directly by the organization or government agency.'

17

**SUMMARY**

18 This amendment clarifies that parts used in performance of a service contract for an  
19 organization or government agency are exempt from sales tax if the parts would have  
20 been exempt if purchased directly by the organization or government agency.

21

**FISCAL NOTE REQUIRED**

22

(See attached)



Approved: 03/30/06 *MAC*

# 122nd MAINE LEGISLATURE

LD 2084

LR 3190(02)

## An Act to Clarify the Taxable Status of Parts Provided under a Service Contract

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Taxation

Fiscal Note Required: Yes

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### Fiscal Note

	2005-06	2006-07	Projections 2007-08	Projections 2008-09
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$85,562	\$99,540	\$106,176
<b>Revenue</b>				
General Fund	\$0	(\$85,562)	(\$99,540)	(\$106,176)
Other Special Revenue Funds	\$0	(\$4,598)	(\$5,460)	(\$5,824)

### Fiscal Detail and Notes

This bill will reduce Sales and Use Tax revenue by an estimated \$90,160 in fiscal year 2006-07, resulting in a General Fund revenue loss of \$85,562.