

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

FIRST REGULAR SESSION-2007

Legislative Document

No. 337

S.P. 110

January 24, 2007

An Act To Exempt Certain Shipping Fees from the Sales Tax

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator PLOWMAN of Penobscot.

Cosponsored by Senator: COURTNEY of York, Representative: THOMAS of Ripley.

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

2 **Sec. 1. 36 MRSA §1752, sub-§14, ¶B**, as amended by PL 2005, c. 675, §1 and
3 affected by §2, is further amended to read:

4 B. "Sale price" does not include:

5 (1) Discounts allowed and taken on sales;

6 (2) Allowances in cash or by credit made upon the return of merchandise
7 pursuant to warranty;

8 (3) The price of property returned by customers, when the full price is refunded
9 either in cash or by credit;

10 (4) The price received for labor or services used in installing or applying or
11 repairing the property sold, if separately charged or stated;

12 (5) Any amount charged or collected, in lieu of a gratuity or tip, as a specifically
13 stated service charge, when that amount is to be disbursed by a hotel, motel,
14 restaurant or other eating establishment to its employees as wages;

15 (6) The amount of any tax imposed by the United States on or with respect to
16 retail sales, whether imposed upon the retailer or the consumer, except any
17 manufacturers', importers', alcohol or tobacco excise tax;

18 (7) The cost of transportation ~~from the retailer's place of business or other point~~
19 ~~from which shipment is made directly to the purchaser, provided that of goods if~~
20 those charges are separately stated and the transportation occurs by means of
21 common carrier, contract carrier or the United States mail;

22 (8) The fee imposed by Title 10, section 1169, subsection 11;

23 (9) The fee imposed by section 4832, subsection 1;

24 (10) The lead-acid battery deposit imposed by Title 38, section 1604, subsection
25 2-B; or

26 (11) Any amount charged or collected by a person engaged in the rental of
27 living quarters as a forfeited room deposit or cancellation fee if the prospective
28 occupant of the living quarters cancels the reservation on or before the scheduled
29 date of arrival.

30 **SUMMARY**

31 Current law provides a sales tax exemption for the cost of shipping goods, but only if
32 the goods are shipped from the retailer directly to the purchaser, the charges are
33 separately stated and the shipping is done by common carrier, contract carrier or the
34 United States mail.

35 This bill exempts from the sales tax the cost of transportation of goods, regardless of
36 to whom they are shipped, as long as the transportation charges are separately stated and
37 the shipping is done by common carrier, contract carrier or the United States mail.