

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

FIRST REGULAR SESSION-2007

Legislative Document

No. 954

S.P. 305

March 1, 2007

An Act To Reduce the Sales Tax on Business Energy

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 COURTNEY of York.
Cosponsored by Representative TARDY of Newport and
Senators: DOW of Lincoln, HASTINGS of Oxford, NASS of York, PLOWMAN of Penobscot,
ROSEN of Hancock, SAVAGE of Knox, SNOWE-MELLO of Androscoggin, WESTON of
Waldo.

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

2 **Sec. 1. 36 MRSA §1811, first ¶**, as amended by PL 2001, c. 439, Pt. TTTT, §2
3 and affected by §3, is further amended to read:

4 A tax is imposed on the value of all tangible personal property and taxable services
5 sold at retail in this State. The rate of tax is 7% on the value of liquor sold in licensed
6 establishments as defined in Title 28-A, section 2, subsection 15, in accordance with Title
7 28-A, chapter 43; 7% on the value of rental of living quarters in any hotel, rooming house
8 or tourist or trailer camp; 10% on the value of rental for a period of less than one year of
9 an automobile; 7% on the value of prepared food; 2.5% on the value of fuel and
10 electricity sold to a business; and 5% on the value of all other tangible personal property
11 and taxable services. Value is measured by the sale price, except as otherwise provided.

12 **SUMMARY**

13 This bill reduces to 2.5% the rate of sales tax imposed on electricity and fuel sold to a
14 business.