

MAINE STATE LEGISLATURE

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Date: 06-08-07

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TAXATION

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STATE OF MAINE
SENATE
123RD LEGISLATURE
FIRST REGULAR SESSION
Majority

COMMITTEE AMENDMENT "A" to S.P. 323, L.D. 1006, Bill, "An Act To Ensure Fairness for Maine Businesses"

Amend the bill by striking out all of sections 1 and 2 and inserting the following:

Sec. 1. 5 MRSA §1825-B, sub-§14 is enacted to read:

14. Condition of doing business with the State. Notwithstanding any provision of law to the contrary, any purchase by the State of \$100,000 or more of tangible personal property, except for public utility purchases, as defined in Title 36, section 1752, subsection 17, or emergency purchases pursuant to subsection 2, paragraph B, may be made only from a person who is registered as a seller pursuant to Title 36, section 1754-B. As a condition of doing business with the State, the seller must collect, report and remit taxes in accordance with Title 36, Part 3. As provided in this subsection, the State is prohibited from doing business with a person who is not registered as a seller pursuant to Title 36, section 1754-B and is not in compliance with the requirement to collect, report and remit taxes pursuant to Title 36, Part 3. After notification of the award, the seller must provide the State Purchasing Agent with a valid retailer certificate issued by the State Tax Assessor within 7 business days. If the seller fails to provide the registration certificate within 7 business days, the State Purchasing Agent may cancel the award and make a new award pursuant to subsection 7. The State Purchasing Agent shall provide the State Tax Assessor with a copy of all contracts awarded pursuant to this section. The State Tax Assessor shall notify the State Purchasing Agent if at any time during the term of the contract the person is no longer registered or is not collecting, reporting and remitting taxes in compliance with the requirements of Title 36, Part 3. Until the noncompliance is corrected, the State Purchasing Agent may withhold any payments to the person.

Sec. 2. 36 MRSA §191, sub-§2, ¶HH, as amended by PL 2005, c. 683, Pt. A, §64, is further amended to read:

HH. The disclosure to an authorized representative of a municipality that has adopted a municipal property tax assistance program under chapter 907-A of

COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "A" to S.P. 323, L.D. 1006

1 information related to a claimant's receipt of benefits under chapter 907. This
2 paragraph does not authorize the disclosure of a claimant's income. A municipality
3 receiving information under this paragraph shall keep the information confidential;
4 and

5 **Sec. 3. 36 MRSA §191, sub-§2, ¶II**, as reallocated by RR 2005, c. 1, §19, is
6 amended to read:

7 II. The disclosure to an authorized representative of the Maine Milk Commission of
8 information on the quantity of packaged milk handled in the State and subject to the
9 milk handling fee established in section 4902 and other information obtained by the
10 assessor in the administration of chapter 721; and

11 **Sec. 4. 36 MRSA §191, sub-§2, ¶JJ** is enacted to read:

12 JJ. The disclosure to the State Purchasing Agent of a person's sales tax standing as
13 necessary to enforce Title 5, section 1825-B, subsection 14.'

14 Amend the bill in section 5 by striking out all of paragraph I (page 2, lines 5 to 7 in
15 L.D.) and inserting the following:

16 'I. Every person not otherwise required to be registered that sells tangible personal
17 property to the State and is required to register as a condition of doing business with
18 the State pursuant to Title 5, section 1825-B.'

19 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
20 section number to read consecutively.

21 **SUMMARY**

22 This amendment limits the scope of the bill to purchases of \$100,000 or more. It
23 authorizes the State Purchasing Agent to withhold payments for noncompliance with the
24 requirement to register with the Department of Administrative and Financial Services,
25 Bureau of Revenue Services and collect, report and remit taxes. It also provides for the
26 disclosure by the Department of Administrative and Financial Services, Bureau of
27 Revenue Services to the State Purchasing Agent of the person's sales tax standing.

FISCAL NOTE REQUIRED
(See attached)



123rd MAINE LEGISLATURE

LD 1006

LR 1976(02)

An Act To Ensure Fairness for Maine Businesses

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

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - General Fund

Fiscal Detail and Notes

The additional costs to ensure that all persons conducting business pursuant to this proposed legislation be registered as sellers can be absorbed by the Department of Administrative and Financial Services utilizing existing budgeted resources.