

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

M
R. OF S

L.D. 1925

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

Date: 6-20-07

(Filing No. H-621)

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE
HOUSE OF REPRESENTATIVES
123RD LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "H" to H.P. 1362, L.D. 1925, Bill, "An Act To Cut Taxes on Maine Residents by over \$140,000,000"

Amend the bill by striking out the title and substituting the following:

'An Act To Reduce the Sales Tax'

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

'Sec. 1. 36 MRSA §1752, sub-§1-I is enacted to read:

1-I. Amusement, entertainment and recreation services. "Amusement, entertainment and recreation services" includes but is not limited to the following services, except those services provided by a governmental entity or an incorporated nonprofit organization: admission to entertainment venues and performances, including theaters, movies, lectures, concerts, amusement parks, water parks, fairgrounds, race tracks, carnivals, circuses, sports activities, stadiums, amphitheaters, museums, planetariums, animal parks, petting zoos, aquariums, historical sites, state parks and convention centers; fees charged for participation in or entry to golf courses, miniature golf courses, ski areas, bowling alleys, swimming pools, skating rinks, billiard parlors, gymnasiums, go-cart courses, tennis and racquetball courts and paintball; admission fees charged for exhibition shows such as auto, boat, camping, home, garden, animal and antique shows; scenic and sightseeing excursions including whitewater rafting, guided recreation, but excluding guided recreation services on federally navigable waters, and aircraft, helicopter, balloon, blimp, watercraft, railroad, bus, trolley and wagon rides; lessons and training in such areas as music, sports, dance, martial arts, gymnastics, physical fitness, art and crafts; entertainment services such as those provided by bands, orchestras, disc jockeys, comedians, clowns, jugglers, children's entertainers and ventriloquists; proceeds from arcade games; and fees paid to for-profit recreation and vacation camps for tuition and recreation services.

Sec. 2. 36 MRSA §1752, sub-§17-B, as enacted by PL 2003, c. 673, Pt. V, §19 and affected by §29, is amended to read:

1 **17-B. Taxable service.** "Taxable service" means the rental of living quarters in a
 2 hotel, rooming house, tourist or trailer camp; the transmission and distribution of
 3 electricity; the rental or lease of an automobile; ~~and~~ the sale of prepaid calling service;
 4 and amusement, entertainment and recreation services.

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

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

15 **Sec. 4. 36 MRSA §1811, 3rd ¶**, as repealed and replaced by PL 2003, c. 510, Pt.
 16 C, §12 and affected by §13, is amended to read:

17 Rental or lease of an automobile for one year or more must be taxed at the time of the
 18 lease or rental transaction at ~~5%~~ 4% of the following: the total monthly lease payment
 19 multiplied by the number of payments in the lease or rental, the amount of equity
 20 involved in any trade-in and the value of any cash down payment. Collection and
 21 remittance of the tax is the responsibility of the person that negotiates the lease
 22 transaction with the lessee.

23 **Sec. 5. Appropriations and allocations.** The following appropriations and
 24 allocations are made.

25 **ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF**

26 **Office of Tourism 0577**

27 Initiative: Deallocates funds to the Tourism Marketing Promotion Fund due to the
 28 decrease in certain sales tax revenue.

29	OTHER SPECIAL REVENUE FUNDS	2007-08	2008-09
30	All Other	\$0	(\$1,204,091)
31			
32	OTHER SPECIAL REVENUE FUNDS TOTAL	<hr/>	<hr/>
33		\$0	(\$1,204,091)

118

HOUSE AMENDMENT "H" to H.P. 1362, L.D. 1925

1
2
3
4
5
6
7
8
9
10

SUMMARY

This amendment reduces the sales tax on tangible personal property and taxable services to 4%. It also reduces the sales tax on lodging and prepared food to 4%. It imposes a 4% tax on amusement, entertainment and recreation services.

It also adds an appropriations and allocations section to the bill.

FISCAL NOTE REQUIRED

(See attached)

SPONSORED BY:  _____

(Representative VAUGHAN)

TOWN: Durham

HOUSE AMENDMENT



123rd MAINE LEGISLATURE

LD 1925

LR 2657(14)

An Act To Cut Taxes on Maine Residents by over \$140,000,000

Fiscal Note for House Amendment "H"

Sponsor: Rep. Vaughan of Durham

Fiscal Note Required: Yes

Fiscal Note

	2007-08	2008-09	Projections 2009-10	Projections 2010-11
Net Cost (Savings)				
General Fund	\$89,567,735	\$231,553,407	\$216,863,967	\$221,631,597
Appropriations/Allocations				
General Fund	(\$1,095,164)	(\$33,203,556)	(\$33,430,184)	(\$34,039,339)
Other Special Revenue Funds	\$0	(\$1,204,091)	(\$3,875,298)	(\$3,916,289)
Revenue				
General Fund	(\$90,662,899)	(\$264,756,963)	(\$250,294,151)	(\$255,670,936)
Other Special Revenue Funds	(\$3,537,455)	(\$13,793,300)	(\$19,343,021)	(\$19,877,294)

Fiscal Detail and Notes

This amendment increases the General Fund cost of the bill by \$89,567,735 in fiscal year 2007-08 and \$231,553,407 in fiscal year 2008-09.