

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 237

H.P. 191

House of Representatives, January 23, 2009

An Act To Impose an Excise Tax on the Extraction of Water for Bottling

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative HINCK of Portland.
Cosponsored by Representative WATSON of Bath and
Representatives: BERRY of Bowdoinham, PERCY of Phippsburg, PERRY of Calais,
Senators: BLISS of Cumberland, BRYANT of Oxford, MARRACHÉ of Kennebec.

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

2 **Sec. 1. 36 MRSA c. 370-A** is enacted to read:

3 **CHAPTER 370-A**

4 **EXTRACTION OF WATER FOR BOTTLING**

5 **§2831. Definitions**

6 As used in this chapter, unless the context otherwise indicates, the following terms
7 have the following meanings.

8 **1. Bottled water operator.** "Bottled water operator" means a person engaged in the
9 business of bottling or packaging water for sale in containers of 5 gallons or less.

10 **§2832. Excise tax**

11 **1. Imposition of tax.** An excise tax is imposed on each bottled water operator that
12 extracted more than 1,000,000 gallons of water in the previous calendar year for the
13 privilege of engaging in the business of extracting groundwater or surface water from
14 springs or other underground sources within the State for commercial bottling for sale.

15 **2. Rate of tax.** The excise tax is imposed at a rate of one cent per gallon of water
16 extracted.

17 **3. Payment.** Each bottled water operator shall prepare and submit to the bureau a
18 monthly report according to procedures specified by the bureau showing the total gallons
19 of water extracted for bottling during the preceding month and other information required
20 by the bureau. The tax must be paid each month to the bureau at the same time the report
21 is submitted.

22 **4. Records.** Each bottled water operator shall keep a record of all water bottled in
23 this State, and that record must be open at all times to the inspection of the assessor.

24 **5. Enforcement.** The tax imposed by this chapter may be enforced using the
25 enforcement and collection procedures provided in chapter 7.

26 **§2833. Application of revenues**

27 **1. Revenues.** All revenues received by the bureau under this chapter after reduction
28 for administrative cost must be credited to a General Fund suspense account. No later
29 than the last day of each month, the State Controller shall transfer all revenues received
30 by the bureau in the following manner:

31 **A.** Twenty-five percent to the Maine Environmental Protection Fund established
32 under Title 38, section 351 for use in watershed and water quality protection;

33 **B.** Fifty percent to the Tax Relief Fund for Maine Residents established under Title
34 5, section 1518-A; and

