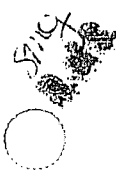


# MAINE STATE LEGISLATURE

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Date: 2/1/10

L.D. 659  
(Filing No. H-597)

**TAXATION**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
124TH LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "B" to H.P. 473, L.D. 659, Bill, "An Act To Remove the Sales Tax on Watercraft"

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

**'An Act To Remove the Sales Tax on Certain Watercraft'**

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

**'Sec. 1. 36 MRSA §1760, sub-§25**, as amended by PL 2009, c. 361, §18, is further amended to read:

**25. Watercraft sold to nonresidents.** Sales of watercraft to a person that is not a resident of this State, ~~when the watercraft is sailed or transported outside the State within 30 days of delivery by the seller;~~ sales to a person that is not a resident of this State, under ~~contracts~~ contract for the construction of a watercraft that is sailed or transported outside the State within 30 days of delivery by the seller, of materials to be incorporated in the watercraft; and sales to a person that is not a resident of this State, for the repair, alteration, refitting, reconstruction, overhaul or restoration of a watercraft that is sailed or transported outside the State within 30 days of delivery by the seller, of materials to be incorporated in the watercraft. ~~Unless the watercraft is present in the State, for a purpose other than temporary storage, for more than 30 days during the 12 month period following its date of purchase or is registered in Maine without also being registered in another state or documented with a location in this State, within 12 months of the date of purchase, the purchaser is exempt from the use tax.'~~

**SUMMARY**

This amendment changes the sales tax exemption for watercraft and related materials sold to nonresidents to eliminate the requirement that the watercraft be removed from the State immediately upon delivery by the seller.

**FISCAL NOTE REQUIRED**

(See attached)

**COMMITTEE AMENDMENT**



# 124th MAINE LEGISLATURE

LD 659

LR 392(04)

## An Act To Remove the Sales Tax on Watercraft

Fiscal Note for Bill as Amended by Committee Amendment "B"  
 Committee: Taxation  
 Fiscal Note Required: Yes

### Fiscal Note

	2009-10	2010-11	Projections 2011-12	Projections 2012-13
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$502,068	\$549,632	\$571,618
<b>Revenue</b>				
General Fund	\$0	(\$502,068)	(\$549,632)	(\$571,618)
Other Special Revenue Funds	\$0	(\$26,425)	(\$28,928)	(\$30,085)

#### Fiscal Detail and Notes

This bill exempts from Maine sales tax all nonresident purchases of watercraft and any material sold to construct, repair, alter, refit, reconstruct, overhaul or restore a watercraft. This exemption will reduce General Fund revenue by \$502,068 in 2010-11 and will reduce Local Government Fund revenue by \$26,425 in 2010-11. Any additional costs to Maine Revenue Services associated with administering the exemption can be absorbed within existing budgeted resources.