

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 743

S.P. 290

In Senate, February 26, 2009

**An Act To Exempt Fuel Used by Commercial Fishing Vessels from
the Sales Tax**

(EMERGENCY)

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 RECTOR of Knox.
Cosponsored by Representative TILTON of Harrington and
Senators: DAMON of Hancock, GERZOFKY of Cumberland, RAYE of Washington,
ROSEN of Hancock, TRAHAN of Lincoln, Representatives: ADAMS of Portland,
MAZUREK of Rockland, WEAVER of York.

1 **Emergency preamble.** Whereas, acts and resolves of the Legislature do not
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 **Whereas,** the commercial groundfishing and lobstering industries in Maine are in
4 dire economic circumstances; and

5 **Whereas,** sales taxes on diesel engine fuel significantly curtail a commercial
6 groundfishing or lobstering operation's ability to remain profitable and economically
7 viable; and

8 **Whereas,** neighboring states provide sales tax exemptions to commercial fishing
9 operations, providing incentives for commercial fishing operations to be based at ports
10 outside Maine; and

11 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
12 the meaning of the Constitution of Maine and require the following legislation as
13 immediately necessary for the preservation of the public peace, health and safety; now,
14 therefore,

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

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

17 **1-I. Commercial lobstering boat.** "Commercial lobstering boat" means a boat that
18 is used for commercial lobstering by the holder of a Class I, Class II or Class III lobster
19 and crab fishing license issued by the Department of Marine Resources.

20 **Sec. 2. 36 MRSA §1760, sub-§8, ¶B,** as amended by PL 1987, c. 798, §1, is
21 further amended to read:

22 B. Internal combustion engine fuel, as defined in section 2902, bought and used for
23 the purpose of propelling jet or turbojet engine aircraft; and

24 **Sec. 3. 36 MRSA §1760, sub-§8, ¶D,** as enacted by PL 2007, c. 240, Pt.
25 WWW, §2, is amended to read:

26 D. Diesel internal combustion engine fuel bought and used from July 1, 2007 to June
27 30, 2008 for the purpose of operating or propelling a commercial groundfishing boat;
28 and

29 **Sec. 4. 36 MRSA §1760, sub-§8, ¶E** is enacted to read:

30 E. Diesel internal combustion engine fuel bought and used for the purpose of
31 operating or propelling a commercial groundfishing boat or commercial lobstering
32 boat.

33 **Emergency clause.** In view of the emergency cited in the preamble, this
34 legislation takes effect when approved.

1 **SUMMARY**

2 From July 1, 2007 to June 30, 2008, diesel engine fuel used by commercial
3 groundfishing boats was exempt from the sales tax.

4 This bill restores that exemption and also exempts diesel engine fuel used for the
5 purpose of operating or propelling a commercial lobstering boat.