

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)

5me
ROFS

L.D. 234

2 Date: 1/31/12

(Filing No. H-687)

3 TAXATION

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

5 STATE OF MAINE
6 HOUSE OF REPRESENTATIVES
7 125TH LEGISLATURE
8 SECOND REGULAR SESSION

9 COMMITTEE AMENDMENT "B" to H.P. 187, L.D. 234, Bill, "An Act To
10 Provide a Sales Tax Exemption to Commercial Horticulturists"

11 Amend the bill by inserting after the title and before the enacting clause the
12 following:

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

15 **Whereas,** products such as seed and fertilizer necessary for horticultural production
16 are currently subject to the sales tax, resulting in double taxation as the goods produced
17 are also taxed; and

18 **Whereas,** these same products are not subject to the sales tax when used in
19 agricultural production; and

20 **Whereas,** the peak retail season for horticulturists is in the spring; and

21 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
22 the meaning of the Constitution of Maine and require the following legislation as
23 immediately necessary for the preservation of the public peace, health and safety; now,
24 therefore,'

25 Amend the bill by inserting after the enacting clause and before section 1 the
26 following:

27 **'Sec. 1. 36 MRSA §199-C, sub-§3** is enacted to read:

28 **3. Specific tax expenditure review.** No later than February 1, 2017, the committee
29 shall review the sales tax exemption under section 1760, subsection 7-B to determine
30 whether the sales tax exemption for those items used in the commercial agricultural
31 production of greenhouse or nursery products should be continued, repealed or modified.'

32 Amend the bill in section 1 in subsection 1-I in the 4th line (page 1, line 6 in L.D.) by
33 striking out the following: "products," and inserting the following: 'products and'

1 Amend the bill in section 1 in subsection 1-I in the last line (page 1, line 7 in L.D.) by
2 striking out the following: "and the commercial production of livestock"

3 Amend the bill by adding before the summary the following:

4 '**Emergency clause.** In view of the emergency cited in the preamble, this
5 legislation takes effect when approved.'

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

8 **SUMMARY**

9 This amendment adds an emergency preamble and emergency clause to the bill. It
10 removes redundant language related to exempting from the sales tax products used in the
11 commercial production of livestock. The amendment requires the joint standing
12 committee of the Legislature having jurisdiction over taxation matters to conduct, no later
13 than February 1, 2017, a review to determine whether the sales tax exemption for those
14 products used in commercial agricultural production of greenhouse or nursery products
15 should be continued, repealed or modified.

FISCAL NOTE REQUIRED
(See attached)



125th MAINE LEGISLATURE

LD 234

LR 633(04)

An Act To Provide a Sales Tax Exemption to Commercial Horticulturists

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

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	\$0	\$9,500	\$9,785	\$10,079
Revenue				
General Fund	\$0	(\$9,500)	(\$9,785)	(\$10,079)
Other Special Revenue Funds	\$0	(\$500)	(\$515)	(\$530)

Fiscal Detail and Notes

Providing a sales tax exemption for certain products used in commercial agricultural production to include products used in commercial horticulture will reduce General Fund revenue by \$9,500 annually and will reduce revenue sharing by approximately \$500 annually.