

Omera.	
<b>v.</b> 1	L.D. 617
2	Date: 6-27-11 (Filing No. S-349)
3	Reproduced and distributed under the direction of the Secretary of the Senate.
4	STATE OF MAINE
5	SENATE
6	125TH LEGISLATURE
7	FIRST REGULAR SESSION
8 9 10	SENATE AMENDMENT " <b>A</b> " to COMMITTEE AMENDMENT "A" to S.P. 198, L.D. 617, Bill, "An Act To Modify the Process Regarding the Return of Unfit Tobacco Products"
11 12	Amend the amendment by striking out everything after the title and before the summary and inserting the following:
13 14	'Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:
15 16	'Sec. 1. 36 MRSA §4366-A, sub-§4-A, as amended by PL 2007, c. 438, §95, is further amended to read:
17 18 19 20 21 22 23 24	<b>4-A. Redemption of stamps before July 1, 2012.</b> The Before July 1, 2012, the assessor shall redeem any unused, uncancelled stamps presented within one year of the date of purchase by a licensed distributor at a price equal to the amount paid for them. Credit for uncancelled stamps is allowed only on full, unopened rolls unless the distributor ceases business as a distributor and returns the license issued under section 4362-A. The assessor may also redeem, at face value, cigarette tax stamps affixed to packages of cigarettes that have become unsalable if application is made within 90 days of the return of the unsalable cigarettes to the manufacturer.
25	Sec. 2. 36 MRSA §4366-A, sub-§4-B is enacted to read:
26 27 28 29 30 31 32 33 34 35	<b>4-B. Redemption of stamps beginning July 1, 2012.</b> Beginning July 1, 2012, the assessor shall redeem any unused, uncancelled stamps presented within one year of the date of purchase by a licensed distributor at a price equal to the amount paid for them. Credit for uncancelled stamps is allowed only on full, unopened rolls unless the distributor ceases business as a distributor and returns the license issued under section 4362-A. The assessor may also redeem, at face value, cigarette tax stamps affixed to packages of cigarettes that have become unsalable if application is made within 90 days of the return of the unsalable cigarettes to the manufacturer or of the destruction of the unsalable cigarettes by the distributor. The assessor may either witness the destruction of the unsalable cigarettes or may accept another form of proof that the unsalable cigarettes
25 26 27 28 29 30 31 32 33 34	Sec. 2. 36 MRSA §4366-A, sub-§4-B is enacted to read: <u>4-B. Redemption of stamps beginning July 1, 2012.</u> Beginning July 1, 2012, the assessor shall redeem any unused, uncancelled stamps presented within one year of the date of purchase by a licensed distributor at a price equal to the amount paid for them Credit for uncancelled stamps is allowed only on full, unopened rolls unless the distributor ceases business as a distributor and returns the license issued under section 4362-A. The assessor may also redeem, at face value, cigarette tax stamps affixed to packages of cigarettes that have become unsalable if application is made within 90 days of the return of the unsalable cigarettes to the manufacturer or of the destruction of the unsalable cigarettes by the distributor. The assessor may either witness the destruction of

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SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 198, L.D. 617

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Sec. 3. 36 MRSA §4404, 2nd ¶, as amended by PL 2007, c. 438, §102, is further amended to read:

The Before July 1, 2012, the return must include further information as the assessor may prescribe and must show a credit for any tobacco products exempted as provided in section 4403. Records must be maintained to substantiate the exemption. Tax previously paid on tobacco products that are returned to a manufacturer because the product has become unfit for use, sale or consumption may be taken as a credit on a subsequent return upon receipt of the credit notice from the original supplier.

Sec. 4. 36 MRSA §4404, as amended by PL 2009, c. 213, Pt. H, §2, is further amended by adding after the 2nd paragraph a new paragraph to read:

Beginning July 1, 2012, the return must include further information as the assessor may prescribe and must show a credit for any tobacco products exempted as provided in section 4403. Records must be maintained to substantiate the exemption. Tax previously paid on tobacco products that are returned to a manufacturer or a distributor because the product has become unfit for use, sale or consumption and for tobacco products that are returned to a distributor that are subsequently destroyed by the distributor may be taken as a credit on a subsequent return. The assessor may either witness the destruction of the product or may accept another form of proof that the product has been destroyed by the distributor or returned to the manufacturer.''

### **SUMMARY**

The amendment delays until July 1, 2012 the implementation of a credit for tax previously paid on tobacco products or cigarettes that are returned to a distributor because the products have become unfit for use, sale or consumption and are subsequently destroyed by the distributor.

25	FISCAL NOTE REQUIRED				
26		(See attached)			
27	SPONSORED BY:	Richard	Row No		
28	(Senator ROSEN, R	L.)	PL .		
29	COUNTY: Han	cock	0		

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SENATE AMENDMENT



# **125th MAINE LEGISLATURE**

## LD 617 LR 1335(04)

### An Act To Modify the Process Regarding the Return of Unfit Tobacco Products

Fiscal Note for Senate Amendment "A" to Committee Amendment "A" S-349 Sponsor: Sen. Rosen of Hancock Fiscal Note Required: Yes

**Fiscal Note** 

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
<b>Net Cost (Savings)</b> General Fund	(\$40,000)	\$0	\$0	\$0
<b>Revenue</b> General Fund	\$40,000	\$0	\$0	\$0

#### **Fiscal Detail and Notes**

This amendment delays the effective date for permitting the State Tax Assessor to recognize a credit for tobacco products taxes previously paid and to redeem cigarette tax stamps for tobacco products that are destroyed by a distributor because the products have become unfit for use, sale or consumption. This will eliminate the fiscal year 2011-12 General Fund revenue loss of \$40,000.