

MAINE STATE LEGISLATURE

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SMG
R O F S

L.D. 1205

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Date: 5-19-11

(Filing No. H-302)

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STATE OF MAINE

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HOUSE OF REPRESENTATIVES

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125TH LEGISLATURE

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FIRST REGULAR SESSION

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HOUSE AMENDMENT "A" to H.P. 896, L.D. 1205, Bill, "An Act To Provide Economic Incentives to Businesses for the Collection of State Taxes"

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Amend the bill in section 1 in subsection 4 in the 3rd line (page 1, line 5 in L.D.) by striking out the following: "1%" and inserting the following: '.25%'

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SUMMARY

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This amendment changes the amount that may be retained by the retailers collecting sales and use tax from 1% of the taxes to .25% of the taxes.

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SPONSORED BY: Seth O'Connor

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(Representative O'CONNOR)

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TOWN: Berwick

FISCAL NOTE REQUIRED

(See attached)



125th MAINE LEGISLATURE

LD 1205

LR 426(03)

An Act To Provide Economic Incentives to Businesses for the Collection of State Taxes

Fiscal Note for House Amendment "A"
Sponsor: Rep. O'Connor of Berwick
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	(\$3,557,867)	(\$6,644,863)	(\$6,828,441)	(\$7,073,709)
Revenue				
General Fund	\$3,557,867	\$6,644,863	\$6,828,441	\$7,073,709
Other Special Revenue Funds	\$197,660	\$427,786	\$490,084	\$508,159

Fiscal Detail and Notes

Permitting retailers required to register under the sales and use tax laws to deduct and retain up to 0.25% of the sales and use tax collected starting with tax years on or after January 1, 2012 rather than 1% will diminish the General Fund loss from the committee amendment by \$3,577,867 in fiscal year 2011-12 and by \$6,644,863 in fiscal year 2012-13, when impacts to the Tourism Marketing Fund and State Transit, Aviation and Rail Transportation Fund are taken into account. As amended here, the final impact would be a General Fund revenue reduction of \$1,251,842 in fiscal year 2011-12 and \$2,357,550 in fiscal year 2012-13. Revenue sharing would be impacted proportionally.