

# MAINE STATE LEGISLATURE

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Date: 6/1/2017

(Filing No. S-182)

Minority

TAXATION

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STATE OF MAINE  
SENATE  
128TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "B" to S.P. 483, L.D. 1405, Bill, "An Act To Require Remote Sellers To Collect and Remit Sales and Use Tax on Sales into Maine and To Provide Retailers a Collection Allowance"

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

'Sec. 1. 36 MRSA §1754-B, sub-§4 is enacted to read:

4. Collection allowance. A seller that is required to register pursuant to this section and that collects and remits sales tax in accordance with the provisions of this Part may deduct and retain for each filing period the lesser of \$500 and 1% of that tax as a collection allowance. The collection allowance does not apply to taxes collected by a state, county or municipal agency.'

Amend the bill by inserting after section 2 the following:

'Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Revenue Services, Bureau of 0002

Initiative: Provides funding for 2 Senior Revenue Agent positions and related costs to review and process sales tax collection allowances.

GENERAL FUND	2017-18	2018-19
POSITIONS - LEGISLATIVE COUNT	1.000	1.000
Personal Services	\$180,538	\$185,954
All Other	\$14,988	\$14,988
GENERAL FUND TOTAL	<u>\$195,526</u>	<u>\$200,942</u>

COMMITTEE AMENDMENT

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

3

**SUMMARY**

4 This amendment changes the amount that may be retained by a seller that collects  
5 sales tax to the lesser of \$500 and 1% of the tax collected per filing period. The  
6 amendment also adds an appropriations and allocations section.

7

**FISCAL NOTE REQUIRED**

8

**(See attached)**



# 128th MAINE LEGISLATURE

LD 1405

LR 1292(03)

## An Act To Require Remote Sellers To Collect and Remit Sales and Use Tax on Sales into Maine and To Provide Retailers a Collection Allowance

Fiscal Note for Bill as Amended by Committee Amendment "B" (S-182)  
 Committee: Taxation  
 Fiscal Note Required: Yes

### Fiscal Note

	FY 2017-18	FY 2018-19	Projections FY 2019-20	Projections FY 2020-21
<b>Net Cost (Savings)</b>				
General Fund	\$783,526	\$1,016,302	\$1,028,537	\$1,067,163
<b>Appropriations/Allocations</b>				
General Fund	\$195,526	\$200,942	\$206,521	\$212,267
<b>Revenue</b>				
General Fund	(\$588,000)	(\$815,360)	(\$822,016)	(\$854,896)
Other Special Revenue Funds	(\$12,000)	(\$16,640)	(\$43,264)	(\$44,995)

### Correctional and Judicial Impact Statements

Increases the number of civil suits.

The collection of additional filing fees may also increase General Fund revenue by minor amounts.

### Fiscal Detail and Notes

The bill includes General Fund appropriations of \$195,526 in fiscal year 2017-18 and \$200,942 in fiscal year 2018-19 for 2 Senior Revenue Agent positions and related costs to review and process sales tax collection allowances. The establishment of a sales tax collection allowance will reduce General Fund revenues by \$588,000 in fiscal year 2017-18 and \$815,360 in fiscal year 2018-19 and Local Government Fund revenues by \$12,000 in fiscal year 2017-18 and \$16,640 in fiscal year 2018-19.

General Fund and Local Government Fund revenue would be increased if a person were to voluntarily collect and remit sales and use tax under this legislation or if the court were to lift any potential injunction filed against the state.