## MAINE STATE LEGISLATURE

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## 130th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2021

**Legislative Document** 

No. 1261

H.P. 928

House of Representatives, March 26, 2021

An Act To Improve Camping Opportunities in Maine by Exempting Certain Campground Rental Fees from the Sales and Use Tax

Received by the Clerk of the House on March 24, 2021. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

ROBERT B. HUNT

Presented by Representative HEPLER of Woolwich.

Cosponsored by Representatives: PARRY of Arundel, WILLIAMS of Bar Harbor.

## 4 (3) Have generated at least 1% of the State's total sales subject to the taxes under 5 Title 36, section 1811 on the value of liquor sold in licensed establishments as defined in Title 28-A, section 2, subsection 15, prepared food and rental of living 6 quarters in any hotel, rooming house or tourist or trailer camp campground over 7 8 the previous 3 years and must offer recreational opportunities of sufficient traffic 9 significance to warrant signs in accordance with criteria developed by the signing 10 agency; Sec. 2. 36 MRSA §1752, sub-§1-K is enacted to read: 11 12 1-K. Campground. "Campground" has the same meaning as in Title 22, section 2491, 13 subsection 1. 14 Sec. 3. 36 MRSA §1752, sub-§11-B, as enacted by PL 2017, c. 375, Pt. A, §1, is 15 amended to read: 11-B. Room remarketer. "Room remarketer" means a person who reserves, arranges 16 for, offers, furnishes or collects or receives consideration for the rental of living quarters in 17 18 this State, whether directly or indirectly, pursuant to a written or other agreement with the 19 owner, manager or operator of a hotel, rooming house or tourist or trailer camp 20 campground. 21 Sec. 4. 36 MRSA §1752, sub-§17-B, as amended by PL 2013, c. 156, §2, is further 22 amended to read: 23 17-B. Taxable service. "Taxable service" means the rental of living quarters in a 24 hotel, rooming house or tourist or trailer camp campground; the transmission and distribution of electricity; the rental or lease of an automobile, a camper trailer, or a motor 25 home, as defined in Title 29-A, section 101, subsection 40; the rental or lease of a pickup 26 27 truck or van with a gross vehicle weight of less than 26,000 pounds from a person primarily 28 engaged in the business of renting automobiles; the sale of an extended service contract on 29 an automobile or truck that entitles the purchaser to specific benefits in the service of the 30 automobile or truck for a specific duration; and the sale of prepaid calling service. Sec. 5. 36 MRSA §1752, sub-§19 is repealed. 31 Sec. 6. 36 MRSA §1752, sub-§20, as amended by PL 2007, c. 627, §44, is repealed. 32 Sec. 7. 36 MRSA §1760, sub-§20, as repealed and replaced by PL 2017, c. 170, 33 34 Pt. C, §5, is repealed. Sec. 8. 36 MRSA §1760, sub-§20-A is enacted to read: 35 36 20-A. Continuous residence; refunds and credits. Rental charged to any person who resides continuously for 28 days or more at: 37 38 A. Any one hotel or rooming house if: 39 (1) The person does not maintain a primary residence at some other location; or

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

amended by amending subparagraph (3) to read:

**Sec. 1. 23 MRSA §1912-C, sub-§5, ¶C,** as enacted by PL 2013, c. 549, §3, is

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- 1 (2) The person is residing away from that person's primary residence in connection 2 with employment or education; or 3 B. Any one campground. 4 Tax paid by such a person to the retailer under section 1812 during the initial 28-day period must be refunded by the retailer. If the tax has been reported and paid to the State by the 5 retailer, it may be taken as a credit by the retailer on the return filed by the retailer covering 6 7 the month in which the refund was made to the person. 8 **Sec. 9. 36 MRSA §1760, sub-§96** is enacted to read: 9 **96.** Campgrounds. The rental of a site at a campground as long as nothing else of 10 value is provided by the owner of the campground to the renter. Sec. 10. 36 MRSA §1764, as amended by PL 2015, c. 300, Pt. A, §24, is further 11 12 amended to read: 13 §1764. Tax against certain casual sales 14 The tax imposed by this Part must be levied upon all casual rentals of living quarters in a hotel, rooming house, tourist camp or trailer camp or campground and upon all casual 15 sales involving the sale of trailers, truck campers, motor vehicles, special mobile 16 17 equipment, watercraft or aircraft unless the property is sold for resale at retail sale or to a corporation, partnership, trust, limited liability company or limited liability partnership 18 when the seller is the owner of 50% or more of the common stock of the corporation or of 19 20 the ownership interests in the partnership, trust, limited liability company or limited 21 liability partnership. This section does not apply to the rental of living quarters rented for 22 a total of fewer than 15 days in the calendar year, except that a person who owns and offers 23 for rental more than one property in the State during the calendar year is liable for collecting sales tax with respect to the rental of each unit regardless of the number of days for which 24 25 it is rented. For purposes of this section, "special mobile equipment" does not include farm tractors and lumber harvesting vehicles or loaders. 26 27 **Sec. 11. 36 MRSA §1811, sub-§1, ¶A,** as amended by PL 2019, c. 607, Pt. B, §2, is further amended by amending subparagraph (3) to read: 28 29 (3) Eight percent on the value of rental of living quarters in any hotel, rooming 30 house or tourist or trailer camp campground; and
- 32 SUMMARY

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This bill repeals the definitions of "tourist camp" and "trailer camp" and replaces those terms with the term "campground" in the sales and use tax law. This bill exempts from sales and use tax rental fees charged to a person who resides for 28 days or longer at one campground. This bill also exempts from the sales and use tax the rental of a site at a campground regardless of the number of days of residence as long as nothing else of value is provided by the owner of that campground to the renter.

**Sec. 12. Effective date.** This Act takes effect October 1, 2021.