

MAINE STATE LEGISLATURE

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N I N E T Y - S E V E N T H L E G I S L A T U R E

Legislative Document

No. 1164

H. P. 1025

House of Representatives, March 2, 1955.

Referred to Committee on Taxation. Sent up for concurrence and 2000 copies ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Walsh of Brunswick.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-FIVE

AN ACT Increasing and Amending the Sales and Use Tax.

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

Sec. 1. R. S., c. 17, § 3, amended. The 1st sentence of section 3 of chapter 17 of the revised statutes is hereby amended to read as follows:

'A tax is imposed at the rate of ~~2%~~ 3% on the value of all tangible personal property, sold at retail in this State **on and after September 1, 1955**, measured by the sale price, except as in this chapter provided.'

Sec. 2. R. S., c. 17, § 3, amended. The 2nd paragraph of section 3 of chapter 17 of the revised statutes is hereby amended to read as follows:

'The tax imposed upon the sale and distribution of gas ~~water~~ or electricity by any public utility, the rates for which sale and distribution are established by the Public Utilities Commission, shall be added to the rates so established. No tax shall be imposed upon the sale or use of electrical energy ~~or water stored for the purpose of generating electricity~~ when the sale is to or by a wholly owned subsidiary by or to its parent corporation.'

Sec. 3. R. S., c. 17, § 4, amended. The 1st sentence of section 4 of chapter 17 of the revised statutes is hereby amended to read as follows:

'A tax is imposed on the storage, use or other consumption in this State of tangible personal property, purchased at retail sale **on and after September 1, 1955**, at the rate of ~~2%~~ 3% of the sale price.'

Sec. 4. R. S., c. 17, § 5, amended. Section 5 of chapter 17 of the revised statutes is hereby amended to read as follows:

Sec. 5. Adding tax to sale price. Every retailer shall add the sales tax imposed by this chapter, or the average equivalent of said tax, to his sale price, except as hereinafter provided, and when added the tax shall constitute a part of the price, shall be a debt of the purchaser to the retailer until paid and shall be recoverable at law in the same manner as the purchase price. When the sale price shall involve a fraction of a dollar, the tax shall be added to the sale price upon the following schedules:

Amount of Sale Price	Amount of Tax
\$0.01 to \$0.24 \$0.10, inclusive	No tax 0c
.25 .11 to .74 .35, inclusive	1c
.75 .36 to 1.24 .65, inclusive	2c
.66 to .99, inclusive	3c

~~Add to tax plus the above rate for each 50c or fraction thereof exceeding \$1.24.~~

When the sale price exceeds 99c, the tax to be added to the price shall be 3c for each whole dollar, plus the amount indicated above for each fractional part of a dollar.

When several articles are purchased together and at the same time, the tax ~~may~~ shall be computed on the total amount of the several items.

Breakage under this section shall be retained by the retailer as compensation for the collection.

Sec. 5. R. S., c. 17, § 10, sub-§ III, amended. The 2nd paragraph of subsection III of section 10 of chapter 17 of the revised statutes is hereby amended to read as follows:

“‘Food products’ shall not include spirituous, malt or vinous liquors; soft drinks sodas or servings such as are ordinarily dispensed at bars or soda fountains or in connection therewith; medicines, tonics, vitamins and preparations in liquid, powdered, granular, tablet, capsule, lozenge or pill form, sold as dietary supplements or adjuncts, except when sold on the prescription of a physician; ~~water, including mineral bottled and~~ carbonated waters and ice. “Food products” also shall not include meals served on or off the premises of the retailer; or drinks or food furnished, prepared or served for consumption at tables, chairs or counters, or from trays, glasses, dishes or other tableware provided by the retailer.’

Sec. 6. R. S., c. 17, § 10, sub-§ IX, repealed and replaced. Subsection IX of section 10 of chapter 17 of the revised statutes is hereby repealed and the following enacted in place thereof:

IX. Fuel and electricity. Fuel and electricity when bought for use in homes, hotels and apartment houses, and other buildings used solely for human habitation and sleeping. When fuel is purchased for a use herein exempted and also for a taxable use, the proportion of the fuel to be exempted shall be estimated. The Assessor shall provide by regulation how such estimates may be

made and given effect. Electricity purchased for a use herein exempted and also for a taxable use shall not be exempted unless the electricity for such exempt use is separately metered.'

Sec. 7. R. S., c. 17, § 10, sub-§ XX, additional. Section 10 of chapter 17 of the revised statutes is hereby amended by adding thereto a new subsection to be numbered XX, to read as follows:

'XX. Water. Sales of water.'

Sec. 8. R. S., c. 17, § 10, sub-§ XXI, additional. Section 10 of chapter 17 of the revised statutes is hereby amended by adding thereto a new subsection to be numbered XXI, to read as follows:

'XXI. Clothing and shoes. Sales of clothing for human beings as defined herein. "Clothing" means inner and outer garments, except those designed for a particular sport, intended exclusively for decency or protection or both, shoes and certain accessories hereinafter listed. By way of partial illustration, "clothing" includes suits, hats, socks, gloves, mittens, underwear, coats and shirts; sleeping garments and dressing gowns; dresses and stockings; orthopedic corsets, foundation garments and orthopedic stockings; infant's blankets, clothes, diapers and snow suits; dungarees, overalls and work gloves; aprons and coveralls; and work uniforms such as policemen's, firemen's and elevator operators'. By way of partial illustration, "shoes" include slippers, boots, galoshes, rubbers and work shoes as well as ordinary shoes. "Accessories" include only kerchiefs, neckties and cloth handkerchiefs. "Clothing" does not include hair fittings and ornaments, shirt studs, pins, collar buttons, clips, cuff links, wrist watches, bracelets and earrings; wallets, billfolds and handbags; fur neck pieces and other fur items worn as accessories; special sports wear such as football helmets and uniforms, baseball gloves and uniforms, bathing suits and caps and other items which are not "clothing" as above defined. "Shoes" do not include laces, soles or other parts of shoes sold separately and do not include special sport shoes, such as track shoes and golf shoes.'

Sec. 9. Effective date. Sales made after August 31, 1955, pursuant to contracts entered into prior thereto, shall be subject to the tax imposed by this act.