

# 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

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Legislative Document

No. 1224

H. P. 1049

House of Representatives, March 8, 1955.

Referred to Committee on Taxation. Sent up for concurrence and 750 copies ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Sanford of Dover-Foxcroft.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
FIFTY-FIVE

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**AN ACT to Clarify and Amend the Sales and Use Tax Law as Respects  
Manufacturers.**

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

**Sec. 1. R. S., c. 17, § 2, amended.** The 4th sentence of the tenth paragraph of section 2 of chapter 17 of the revised statutes is hereby amended to read as follows:

“Retail sale” and “sale at retail” do not include the sale of tangible personal property which becomes an ingredient or component part of, or which is consumed or destroyed or loses its identity in the manufacture of, tangible personal property for later sale by the purchaser, ~~but shall include fuel and electricity~~ meaning and intending to include within the definition of retail sale and sale at retail the sale of wet felts, dry felts and wires used in the manufacture of paper; molding sand, refractories, fire clay, steel shot and grit, crucibles and snagging wheels used in foundries; lubricants for machinery; small tools; light bulbs, brooms, fire extinguishers; sewing machine needles; lathes and their component parts including cutting edges; fuel and electricity, including oxygen used to aid combustion; conveyor belts, and mill supplies; and meaning and intending to exclude from said definition bleaches used in textile mills; logs, sulphur and sulphite used in paper manufacture; and scrap iron and core sand used in foundries. The above examples are partial and intended to facilitate understanding of the general principle above set forth. The exemption relates to the process of manufacture, not to the procurement of materials or the storage or transportation of the final product, administration or other functions which facilitate or enable manufacture.’

**Sec. 2. R. S., c. 17, § 2, amended.** Section 2 of chapter 17 of the revised statutes is hereby amended by adding a new paragraph after the 10th paragraph to read as follows:

**'Any exclusion from "retail sale" or "sale at retail" in this definition shall be constructed as an exemption.'**