

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND NINTH LEGISLATURE

AT THE

SECOND REGULAR SESSION

January 2, 1980 to April 3, 1980

AND AT THE

THIRD SPECIAL SESSION

May 22, 1980

PUBLISHED BY THE DIRECTOR OF LEGISLATIVE RESEARCH IN
ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 164, SUBSECTION 6.

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PUBLIC LAWS
OF THE
STATE OF MAINE
AS PASSED AT THE
SECOND REGULAR SESSION
of the
ONE HUNDRED AND NINTH LEGISLATURE
January 2, 1980 to April 3, 1980

CHAPTER 686

H. P. 1793 — L. D. 1918

AN ACT to Reorganize the Sales and Use Tax Law and to Encourage Conversion to Coal through Treatment of Coal as Oil for Sales Tax Purposes.

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

Sec. 1. 36 MRSA § 1752, sub-§ 11, 7th sentence, as repealed and replaced by PL 1977, c. 477, § 9, is amended to read:

“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 or lease, other than lease for use in this State, but shall include fuel and electricity but shall not include electricity separately metered and consumed in any electrolytic process for the manufacture of tangible personal property for later sale, nor any fuel oil or coal, the by-products from the burning of which become an ingredient or component part of tangible personal property for later sale.

Sec. 2. 36 MRSA § 1760, sub-§ 41 is enacted to read:

§ 41. Certain instrumentalities of interstate or foreign commerce. The sale of a vehicle, railroad rolling stock, aircraft or watercraft which is placed in use by the purchaser as an instrumentality of interstate or foreign commerce within 10 days after that sale and which is used by the purchaser not less than 80% of the time for the next 2 years as an instrumentality of interstate or foreign commerce. For purposes of this subsection, property is “placed in use as an instrumentality of interstate or foreign commerce” by its carrying of, or providing the motive power for the carrying of, a bona fide payload in interstate or foreign commerce, or by being dispatched to a specific location at which it will be loaded upon arrival with, or will be used as motive power for the carrying of, a payload in interstate or foreign commerce. For purposes of this subsection, “bona fide payload” means a cargo of persons or property transported by a contract or common carrier for compensation which exceeds the direct cost of carrying that cargo or pursuant to a legal obligation to provide service as a public utility or a cargo of property transported in the reasonable conduct of the purchaser’s own nontransportation business in interstate commerce.

Effective July 3, 1980.