

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

Date: (Filing No. H-)

TAXATION

Reproduced and distributed under the direction of the Clerk of the House.

**STATE OF MAINE
HOUSE OF REPRESENTATIVES
126TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 299, L.D. 427, Bill, “An Act To Authorize Options for Local Revenue Enhancement”

Amend the bill in section 1 in §1817 by striking out all of subsection 2 (page 1, lines 9 to 14 in L.D.) and inserting the following:

2. Authorization to impose local option sales tax. A municipality by referendum conducted pursuant to subsection 8 may impose a local option sales tax of no more than 1% on those items that are part of the sales tax base, except for items that are excluded under subsection 3, and may limit the period of time the tax is imposed to specified months of the year. A municipality that adopts a local option sales tax pursuant to this section may not alter the range of items subject to sales taxation under this Part.

3. Excluded items. A municipality may not impose a local option sales tax on aircraft, furniture as defined in section 2551, subsection 4, items used in production, machinery and equipment as defined in section 1752, subsection 7-B, motor vehicles, watercraft or major household appliances. For purposes of this section, "major household appliance" means a piece of equipment used for a specific function in the home purchased for more than \$500 excluding tax.'

Amend the bill in section 1 in §1817 in subsection 8 in the question in the first line (page 2, line 13 in L.D.) by striking out the following: "5%" and inserting the following: '1%'

Amend the bill in section 1 in §1817 by inserting at the end the following:

'10. Repeal. This section is repealed on December 31, 2016.'

Amend the bill in section 1 in §1817 to renumber the subsections to read consecutively.

COMMITTEE AMENDMENT

1
2
3
4
5
6

SUMMARY

This amendment, which is the minority report, limits the local option sales tax to 1%, excludes certain items from the base on which a local option sales tax may be imposed and repeals the authorization for a local option sales tax on December 31, 2016.

FISCAL NOTE REQUIRED

(See attached)