

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Clarify Responsibility for the Collection of Rental Taxes

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

Sec. 1. 36 MRSA §1754-B, sub-§1, ¶F, as amended by PL 2005, c. 218, §19, is repealed and the following enacted in its place:

F. Notwithstanding any paragraph to the contrary, every owner of a hotel, rooming house or tourist camp or trailer camp in this State that is operated in the regular course of business or on a casual basis and at which rents are collected or received and every owner of living quarters that are rented for at least 15 days in the calendar year;

Sec. 2. 36 MRSA §1764, as amended by PL 2005, c. 218, §25, is further amended to read:

§ 1764. Tax against certain casual sales

The tax imposed by chapters 211 to 225 must be levied upon all casual rentals of living quarters in a hotel, rooming house or tourist camp or trailer camp and upon all casual sales involving the sale of camper trailers, truck campers, motor vehicles, special mobile equipment except farm tractors and lumber harvesting vehicles or loaders, livestock trailers, watercraft or aircraft except those sold for resale at retail sale or to a corporation, partnership, limited liability company or limited liability partnership when the seller is the owner of a majority of the common stock of the corporation or of the ownership interests in the partnership, limited liability company or limited liability partnership. This section does not apply to the rental of living quarters rented for a total of fewer than 15 days in the calendar year, except that a person who owns and offers 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 it is rented. Beginning July 1, 2005, notwithstanding any law to the contrary, only the owner of a hotel, rooming house, tourist camp or trailer camp or living quarters subject to taxation pursuant to this section is liable for the collection and remittance of the tax imposed pursuant to this section.

Sec. 3. Retroactivity. That section of this Act that amends the Maine Revised Statutes, Title 36, section 1764 applies retroactively to July 1, 2005.

SUMMARY

This bill specifies that the owner of a hotel, rooming house or tourist camp or trailer camp in this State that is operated in the regular course of business or on a casual basis and at which rents are collected or received and the owner of living quarters that are rented for at least 15 days annually are required to register as a seller with the State Tax Assessor and collect and remit sales tax on those rents. This bill also specifies that the owner of such rental property is responsible for the collection and remittance of the sales tax imposed on that rental property, retroactive to July 1, 2005, the effective date of the public law that required the tax to be imposed on casual rentals.