



# 125th MAINE LEGISLATURE

LD 1384

LR 666(01)

## An Act To Provide a Sales Tax Holiday Weekend

### Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Strang Burgess of Cumberland

Committee: Taxation

Fiscal Note Required: Yes

### Preliminary Fiscal Impact Statement

Current biennium revenue decrease - General Fund  
Current biennium revenue decrease - Other Special Revenue Funds

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
<b>Net Cost (Savings)</b>				
General Fund	\$15,000	\$0	\$0	\$0
<b>Appropriations/Allocations</b>				
General Fund	\$15,000	\$0	\$0	\$0

#### Fiscal Detail and Notes

Providing a sales tax exemption during the first weekend in October 2011 for all items except for sales of telecommunications equipment, tobacco products, gas, electricity, motor vehicles, motorboats, meals and single items which are not Energy Star items costing in excess of \$2,500 in sales price will reduce sales tax revenues in fiscal year 2011-12, resulting in losses to the General Fund and reducing revenue sharing. Maine Revenue Services (MRS) states that it cannot estimate the revenue reduction in fiscal year 2011-12 until certain matters in the bill are clarified. MRS will require an appropriation for certain one-time costs to modify the sales tax return and to administer the sales tax holiday envisioned. The bill provides a sales tax holiday only in fiscal year 2011-12 and would not have any fiscal impact in subsequent years.