

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  
32  
33

Date: (Filing No. S- )

**TAXATION**

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE  
SENATE  
127TH LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 579, L.D. 1481, Bill, “An Act To Protect Maine's Natural Resources Jobs by Exempting from Sales Tax Petroleum Products Used in Commercial Farming, Fishing and Forestry”

Amend the bill by striking out the title and substituting the following:

**'An Act To Protect Maine's Natural Resources Jobs by Exempting from Sales Tax Fuel Used in Commercial Farming, Fishing and Forestry'**

Amend the bill by inserting after the title and before the enacting clause the following:

**'Emergency preamble. Whereas,** acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

**Whereas,** this bill provides a sales tax exemption or refund to protect jobs in certain natural resources industries; and

**Whereas,** many of those natural resources industries experience their highest volume of work during the summer months; and

**Whereas,** it is critical to the protection of jobs in those natural resources industries that the sales tax exemption or refund be available sooner than 90 days after adjournment of the Second Regular Session of the 127th Legislature; and

**Whereas,** in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,'

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

**'Sec. 1. 36 MRSA §2013, sub-§§2 and 3,** as amended by PL 2011, c. 657, Pt. N, §2 and affected by §3, are further amended to read:

**COMMITTEE AMENDMENT**

1           **2. Refund authorized.** Any person, association of persons, firm or corporation that  
2 purchases electricity or fuel, or that purchases or leases depreciable machinery or  
3 equipment, for use in commercial agricultural production, commercial fishing,  
4 commercial aquacultural production or commercial wood harvesting ~~or that purchases~~  
5 ~~fuel for use in a commercial fishing vessel~~ must be refunded the amount of sales tax paid  
6 upon presenting to the State Tax Assessor evidence that the purchase is eligible for refund  
7 under this section.

8 Evidence required by the assessor may include a copy or copies of that portion of the  
9 purchaser's or lessee's most recent filing under the United States Internal Revenue Code  
10 that indicates that the purchaser or lessee is engaged in commercial agricultural  
11 production, commercial fishing, commercial aquacultural production or commercial  
12 wood harvesting and that the purchased machinery or equipment is depreciable for those  
13 purposes or would be depreciable for those purposes if owned by the lessee.

14 In the event that any piece of machinery or equipment is only partially depreciable under  
15 the United States Internal Revenue Code, any reimbursement of the sales tax must be  
16 prorated accordingly. In the event that electricity or fuel ~~for a commercial fishing vessel~~  
17 is used in qualifying and nonqualifying activities, any reimbursement of the sales tax  
18 must be prorated accordingly.

19 Application for refunds must be filed with the assessor within 36 months of the date of  
20 purchase or execution of the lease.

21           **3. Purchases made free of tax with certificate.** Sales tax need not be paid on the  
22 purchase of electricity, fuel ~~for a commercial fishing vessel~~ or a single item of machinery  
23 or equipment if the purchaser has obtained a certificate from the assessor stating that the  
24 purchaser is engaged in commercial agricultural production, commercial fishing,  
25 commercial aquacultural production or commercial wood harvesting and authorizing the  
26 purchaser to purchase electricity, fuel ~~for a commercial fishing vessel~~ or depreciable  
27 machinery and equipment without paying Maine sales tax. The seller is required to  
28 obtain a copy of the certificate together with an affidavit as prescribed by the assessor, to  
29 be maintained in the seller's records, attesting to the qualification of the purchase for  
30 exemption pursuant to this section. In order to qualify for this exemption, the electricity,  
31 fuel ~~for a commercial fishing vessel~~ or depreciable machinery or equipment must be used  
32 directly in commercial agricultural production, commercial fishing, commercial  
33 aquacultural production or commercial wood harvesting. In order to qualify for this  
34 exemption, the electricity or fuel ~~for a commercial fishing vessel~~ must be used in  
35 qualifying activities, including support operations.'

36 Amend the bill by adding before the summary the following:

37           **'Emergency clause.** In view of the emergency cited in the preamble, this  
38 legislation takes effect July 1, 2016.'

### SUMMARY

39  
40 This amendment strikes the bill and instead extends that sales tax exemption or  
41 refund to fuel used in commercial agricultural production, aquacultural production and  
42 wood harvesting.

1           The amendment also adds an emergency preamble and emergency clause to allow the  
2           legislation to take effect July 1, 2016.