An Act To Assist Certain Businesses in the State That Sell Prepared Food or Alcohol

Received by the Clerk of the House on January 19, 2021. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

Presented by Representative DILLINGHAM of Oxford.
Cosponsored by Representative: MORRIS of Turner.
Be it enacted by the People of the State of Maine as follows:

Sec. 1. 36 MRSA §1820 is enacted to read:

§1820. Tax retained for sales of prepared food and liquor sold on premises

Notwithstanding any other provision of this Part to the contrary, for sales, including so-called sales-to-go, of prepared food and liquor subject to a tax at 8% under section 1811, subsection 1, paragraph D, subparagraphs (1) and (2), beginning January 1, 2022, a retailer may retain 1/8 of the revenue collected pursuant to those subparagraphs to cover administrative expenses and pay over to the State Tax Assessor the remaining 7/8 in the manner provided in chapter 219.

SUMMARY

This bill permits retailers selling prepared food or liquor sold by establishments licensed for on-premises sales to retain 1/8 of the sales tax collected on those sales to cover administrative expenses.