



130th MAINE LEGISLATURE

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Legislative Document

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H.P. 1166

House of Representatives, April 27, 2021

An Act Regarding an Excise Tax on Water Extracted for Commercial Bottling

Received by the Clerk of the House on April 23, 2021. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative GRAMLICH of Old Orchard Beach.
Cosponsored by Senator CHIPMAN of Cumberland and
Representatives: COLLINGS of Portland, O'NEIL of Saco, RISEMAN of Harrison, WOOD of
Portland, Senator: MAXMIN of Lincoln.

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

2 **Sec. 1. 36 MRSA c. 368** is enacted to read:

3 **CHAPTER 368**

4 **EXTRACTION OF WATER FOR COMMERCIAL BOTTLING**

5 **§2731. Bottled water operator defined**

6 As used in this chapter, unless the context otherwise indicates, "bottled water operator"
7 means a person engaged in the business of bottling or packaging water for sale.

8 **§2732. Excise tax**

9 **1. Imposition of tax.** Beginning with the extraction of water occurring on or after
10 November 1, 2021, an excise tax is imposed for the privilege of engaging in the business
11 of extracting water on each bottled water operator that extracted more than 1,500,000
12 gallons of groundwater or surface water from springs or other underground sources within
13 the State in the previous calendar year for commercial bottling for sale.

14 **2. Rate of tax.** The excise tax under subsection 1 is imposed at a rate of 5¢ per gallon
15 of water extracted in the State.

16 **3. Payment.** Each bottled water operator shall prepare and submit to the assessor by
17 the 15th of each month a return according to procedures and schedules specified by the
18 assessor reporting the total gallons of water extracted for bottling during the preceding
19 month and other information required by the assessor and shall pay the excise tax under
20 this section each month to the assessor at the time the report is submitted.

21 **4. Records.** A bottled water operator shall preserve for a period of at least 3 years a
22 record of the amount of all water extracted in this State by that bottled water operator during
23 that period.

24 **§2733. Rules**

25 The department may adopt rules to implement this chapter. Rules adopted pursuant to
26 this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

27 **Sec. 2. Application.** This Act applies to bottled water operators as defined in the
28 Maine Revised Statutes, Title 36, section 2731 that extracted more than 1,500,000 gallons
29 of water in the State in a calendar year beginning with 2020.

30 **SUMMARY**

31 This bill creates an excise tax of 5¢ per gallon on the extraction of groundwater or
32 surface water for commercial bottling for sale.