

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 Provide a Sales Tax Holiday Weekend

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

Sec. 1. 36 MRSA §1760, sub-§92 is enacted to read:

92. Sales tax holiday weekend. Sales of tangible personal property from 12:01 a.m. Saturday, October 1, 2011 to 11:59 p.m. Sunday, October 2, 2011, except sales of telecommunications equipment, tobacco products, gas, electricity, motor vehicles, motorboats, meals or a single item that is not an Energy Star product the price of which is in excess of \$2,500. Transfer of possession of or payment in full for the property must occur on one of those days and prior sales or layaway sales are ineligible. For the purposes of this subsection, "Energy Star product" means a product that qualifies under the Energy Star program of the United States Environmental Protection Agency and United States Department of Energy.

Sec. 2. Report. On or before December 31, 2011, the Executive Director of the Bureau of Revenue Services within the Department of Administrative and Financial Services shall certify to the State Controller the amount of sales tax unpaid, as well as revenue raised from personal and corporate income taxes and other sources, as a result of the sales tax holiday weekend pursuant to the Maine Revised Statutes, Title 36, section 1760, subsection 92. The executive director shall file a report with the Joint Standing Committee on Taxation detailing by fund the amount of revenue that would have been deposited in each fund if sales tax had been paid during the sales tax holiday weekend.

The Department of Administrative and Financial Services, Bureau of Revenue Services shall in consultation with the Maine Merchants Association recommend one weekend beginning annually in 2012 to designate as a sales tax holiday weekend. The Bureau of Revenue Services shall report to the Joint Standing Committee on Taxation the dates that have been agreed upon between the Bureau of Revenue Services and the Maine Merchants Association. The Joint Standing Committee on Taxation has authority to submit legislation pertaining to the dates that are selected for the sales tax holiday weekend to the Second Regular Session of the 125th Legislature.

SUMMARY

This bill provides an exemption from the sales tax for items sold over the first weekend in October 2011 including Energy Star products. The bill also sets out exemptions to the sales tax holiday weekend. The bill requires the Executive Director of the Bureau of Revenue Services within the Department of Administrative and Financial Services to report to the State Controller the amount of sales tax unpaid, as well as revenue raised from personal and corporate income taxes and other sources, as a result of the sales tax holiday weekend. The Bureau of Revenue Services in consultation with the Maine Merchants Association is required to recommend one weekend beginning annually in 2012 to designate as a sales tax holiday weekend and report to the Joint Standing Committee on Taxation. The Joint Standing Committee on Taxation has authority to submit legislation to the Second Regular Session of the 125th Legislature pertaining to the dates that are selected for the sales tax holiday weekend.