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## **An Act To Exempt from Sales and Use Tax Sales of Publications To Be Distributed without Charge and Printed Materials Included in Publications**

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

**Whereas,** the repeal of the sales and use tax exemption for sales of publications applies to sales occurring on or after October 1, 2013; and

**Whereas,** exempting from sales and use tax sales of printed paper materials subsequently distributed as free publications serves the public interest; and

**Whereas,** exempting from sales and use tax sales of printed paper materials included as inserts to publications, such as advertising or promotional materials, serves the public interest; and

**Whereas,** legislative action is immediately necessary to ensure efficient administration of the sales and use tax; 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,

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

**Sec. 1. 36 MRSA §1760, sub-§14-A** is enacted to read:

**14-A. Free publications and components of publications.** Sales of publications and printed materials included in publications as follows:

- A. Any publication that is purchased for distribution without charge as a free publication; and
- B. Printed paper materials, including advertising flyers and promotional materials, purchased for inclusion in a publication.

For purposes of this subsection, "publication" means printed paper material, including without limitation newspapers, magazines and trade journals and employee, client and organization newsletters, issued at average intervals not exceeding 3 months that manifests a continuity of identity from issue to issue by a front page masthead bearing the name, date, volume and issue number of the publication and by a continuity of style, format, themes and subject matter. For purposes of this subsection, "publication" does not include printed paper materials consisting primarily of advertisements or the promotion of a single seller's products or services.

**Sec. 2. Retroactivity.** This Act applies to sales occurring on and after October 1, 2013.

**Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.

## **SUMMARY**

This bill enacts a sales and use tax exemption for certain printed free publications and for printed materials purchased for inclusion in a publication.