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An Act To Clarify the Law Relating to Corporate Income Tax Nexus and the Shipment of Spirits into the State

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

Sec. 1. 36 MRSA §5202-D is enacted to read:

§ 5202-D. Exemption

For tax years beginning on or after January 1, 2020, a corporation located outside this State that is a manufacturer of spirits and whose sole nexus with this State is the storage of that corporation's spirits in a warehouse operated by the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations or by a wholesaler contracted by the Bureau of Alcoholic Beverages and Lottery Operations under Title 28-A, section 90 is exempt from the taxes imposed pursuant to this chapter. As used in this paragraph, the terms "agency liquor store," "manufacturer" and "spirits" have the same meaning as in Title 28-A, section 2, subsections 1, 19 and 31, respectively.

SUMMARY

This bill exempts from the corporate income tax a manufacturer of alcoholic spirits located outside of this State whose only nexus with the State is the storage of that manufacturer's spirits in a warehouse operated or approved for operation by the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations.