



125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 1384

H.P. 1017

House of Representatives, April 4, 2011

An Act To Provide a Sales Tax Holiday Weekend

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script, reading "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

Presented by Representative STRANG BURGESS of Cumberland.

Cosponsored by Representatives: CEBRA of Naples, PILON of Saco, Senator ROSEN of Hancock and Representatives: AYOTTE of Caswell, BEAVERS of South Berwick, BURNS of Whiting, CASAVANT of Biddeford, CELLI of Brewer, CHASE of Wells, CLARKE of Bath, CURTIS of Madison, CUSHING of Hampden, DAMON of Bangor, EDGECOMB of Caribou, ESPLING of New Gloucester, FITTS of Pittsfield, FOSSEL of Alna, FOSTER of Augusta, GUERIN of Glenburn, HAMPER of Oxford, JOHNSON of Greenville, KAENRATH of South Portland, KESCHL of Belgrade, KNAPP of Gorham, KNIGHT of Livermore Falls, LIBBY of Waterboro, MALABY of Hancock, McFADDEN of Dennysville, McKANE of Newcastle, NEWENDYKE of Litchfield, OLSEN of Phippsburg, PARKER of Veazie, PARRY of Arundel, PLUMMER of Windham, PRESCOTT of Topsham, SHAW of Standish, SIROCKI of Scarborough, TURNER of Burlington, VALENTINO of Saco, WEAVER of York, WOOD of Sabattus, Senators: COURTNEY of York, GOODALL of Sagadahoc, MARTIN of Kennebec, President RAYE of Washington, RECTOR of Knox, SNOWE-MELLO of Androscoggin.

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

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

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

12 **Sec. 2. Report.** On or before December 31, 2011, the Executive Director of the
13 Bureau of Revenue Services within the Department of Administrative and Financial
14 Services shall certify to the State Controller the amount of sales tax unpaid, as well as
15 revenue raised from personal and corporate income taxes and other sources, as a result of
16 the sales tax holiday weekend pursuant to the Maine Revised Statutes, Title 36, section
17 1760, subsection 92. The executive director shall file a report with the Joint Standing
18 Committee on Taxation detailing by fund the amount of revenue that would have been
19 deposited in each fund if sales tax had been paid during the sales tax holiday weekend.

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

28 **SUMMARY**

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