



127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 932

S.P. 323

In Senate, March 17, 2015

An Act To Designate a Sales Tax Holiday

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
Secretary of the Senate

Presented by Senator KATZ of Kennebec.
Cosponsored by Representative MAREAN of Hollis and
Senators: LANGLEY of Hancock, ROSEN of Hancock, SAVIELLO of Franklin,
Representatives: MALABY of Hancock, MOONEN of Portland, TIMBERLAKE of Turner.

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

2 **Sec. 1. 36 MRSA §1760, sub-§96** is enacted to read:

3 **96. Sales tax holiday.** Beginning in 2016, sales on the 2nd Saturday in August
4 annually of clothing, school supplies and computers, excluding sales of individual items
5 of clothing with a price that exceeds \$100, sales of individual items of school supplies
6 with a price that exceeds \$100, sales of individual computers with a price that exceeds
7 \$1,500 or that are purchased for use in a trade or business and clothing, school supplies
8 and computers that are transferred through a prior sale or layaway sale.

9 For the purposes of this subsection, "clothing" means apparel meant to be worn by
10 humans, including belts, caps, coats, dresses, gloves, hats, hosiery, jackets, neckties,
11 pants, scarves, school uniforms, shirts, shoes, socks, sneakers and underwear and
12 excludes clothing accessories, protective equipment, sports equipment and recreational
13 equipment. For the purposes of this subsection, "school supplies" means binders, book
14 bags, backpacks, calculators, chalk, crayons, erasers, folders, glue, lunch boxes,
15 notebooks, paper, pens, pencils, rulers, scissors, tape, clay, paints, paintbrushes, drawing
16 pads and watercolors. For the purposes of this subsection, "computers" does not include
17 computer software, disks, printers and game consoles. The State Tax Assessor shall
18 adopt rules to implement this subsection, including further defining "clothing," "school
19 supplies" and "computers" and concerning eligibility. Rules adopted pursuant to this
20 subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

21 **SUMMARY**

22 This bill, beginning in 2016, establishes an annual sales tax holiday on the 2nd
23 Saturday in August to exempt from sales tax sales of items of clothing with a price of
24 \$100 or less, items of school supplies with a price of \$100 or less and individual
25 computers, not including those used in a trade or business, with a price of \$1,500 or less.