



# 125th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2011

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Legislative Document

No. 1216

H.P. 907

House of Representatives, March 22, 2011

### **An Act To Impose an Excise Tax on the Extraction of Water for Bottling**

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Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST  
Clerk

Presented by Representative BOLAND of Sanford.  
Cosponsored by Representatives: HARLOW of Portland, HINCK of Portland.

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

2 **Sec. 1. 36 MRSA c. 370-A** is enacted to read:

3 **CHAPTER 370-A**

4 **EXTRACTION OF WATER FOR BOTTLING**

5 **§2831. Definitions**

6 As used in this chapter, unless the context otherwise indicates, the following terms  
7 have the following meanings.

8 **1. Bottled water operator.** "Bottled water operator" means a person engaged in the  
9 business of bottling or packaging water for sale in containers of 5 gallons or less.

10 **§2832. Excise tax**

11 **1. Imposition of tax.** An excise tax is imposed on each bottled water operator that  
12 extracted more than 1,000,000 gallons of water in the previous calendar year for the  
13 privilege of engaging in the business of extracting surface water or groundwater from  
14 springs or other underground sources within the State for commercial bottling for sale.

15 **2. Rate of tax.** The excise tax is imposed at a rate of 1¢ per gallon of water  
16 extracted.

17 **3. Payment.** Each bottled water operator shall prepare and submit to the bureau a  
18 monthly report according to procedures specified by the bureau showing the total gallons  
19 of water extracted for bottling during the preceding month and other information required  
20 by the bureau. The tax must be paid each month to the bureau at the same time the report  
21 is submitted.

22 **4. Records.** Each bottled water operator shall keep a record of all water bottled in  
23 this State, and that record must be open at all times to the inspection of the assessor.

24 **5. Enforcement.** The tax imposed by this chapter may be enforced using the  
25 enforcement and collection procedures provided in chapter 7.

26 **SUMMARY**

27 This bill creates an excise tax of 1¢ per gallon on the extraction of surface water or  
28 groundwater from springs or other underground sources by a bottled water operator who  
29 packages water for sale in containers of 5 gallons or less and who extracted more than  
30 1,000,000 gallons in the previous calendar year.