

OFFICE OF FISCAL AND PROGRAM REVIEW

Date: April 11, 2013
To: Members, Joint Standing Committee on Taxation
From: Elizabeth Cooper, Legislative Analyst
Re: Final Amendment Review – LD 319

An amendment and fiscal note for LD 319 are attached for your review.

LD 319, An Act To Provide Tax Fairness to Small Businesses in the State

The Committee unanimously voted OTPA on March 25, 2013.

- The amendment strikes out the emergency provisions and Part A of the bill. It retains Part B, which directs Maine Revenue Services to identify changes need to conform to the national “Streamline Sales and Use Tax Agreement” and report back to the Taxation Committee by January 15, 2014.
- The fiscal note indicates that the minor costs incurred by Maine Revenue Services can be absorbed within existing resources.

Please let me know if you have any questions or concerns about this amendment.

Date:

(Filing No. H-)

TAXATION

Reproduced and distributed under the direction of the Clerk of the House.

**STATE OF MAINE
HOUSE OF REPRESENTATIVES
126TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT " " to H.P. 228, L.D. 319, Bill, "An Act To Provide Tax Fairness to Small Businesses in the State"

Amend the bill by striking out the title and substituting the following:

'Resolve, To Direct the Department of Administrative and Financial Services, Bureau of Revenue Services To Report on Conformity with Streamlined Sales and Use Tax Agreement' *the ?*

Amend the bill by striking out everything after the title and before the summary and inserting the following:

'Sec. 1. Report and legislation regarding the Streamlined Sales and Use Tax Agreement. Resolved: *That* The Department of Administrative and Financial Services, Bureau of Revenue Services shall prepare a report concerning the Streamlined Sales and Use Tax Agreement, referred to in this section as "the agreement," which is an effort of state governments, with input from local governments and the private sector, to simplify and modernize sales and use tax collection and administration. The report must:

1. Identify any changes to the Maine Revised Statutes that are needed to conform the State's laws to the agreement and the options available to provide conformity;
2. Identify the impact of each option identified pursuant to subsection 1; and
3. Identify and explain any fiscal and policy issues associated with conformity with the agreement.

The bureau shall submit its report, along with different proposals for legislation to conform the State's sales and use tax laws with the agreement, to the Joint Standing Committee on Taxation no later than January 15, 2014. The Joint Standing Committee on Taxation may submit a bill relating to the subject matter of the report to the Second Regular Session of the 126th Legislature.'

SUMMARY

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This amendment changes the bill to ^aresolve and changes the title. It removes the emergency preamble and emergency clause. It removes Part A of the bill and retains Part B, which directs the Department of Administrative and Financial Services, Bureau of Revenue Services to identify changes in the sales and use tax laws necessary to conform them to the national effort known as the Streamlined Sales and Use Tax Agreement and to submit its report and proposed legislation to the Joint Standing Committee on Taxation by January 15, 2014.

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F/N pending



126th MAINE LEGISLATURE

LD 319

LR 1365(02)

An Act To Provide Tax Fairness to Small Businesses in the State

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: No

Fiscal Note

Minor cost increase - General Fund

Fiscal Detail and Notes

Any additional costs incurred by the Bureau of Revenue Services related to identifying changes in the State's sales and use tax laws necessary to conform to the "Streamlined Sales and Use Tax Agreement" and providing a report on these changes can be absorbed within existing budgeted resources.