

## OFFICE OF FISCAL AND PROGRAM REVIEW

Date: April 5, 2013

To: Members, Joint Standing Committee on Taxation

From: Elizabeth Cooper, Legislative Analyst

### **LD 734, An Act Relating to the Sales Tax Exemption on Depreciable Equipment Used in Commercial Wood Harvesting**

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**Summary:** This bill provides that the sales tax exemption or refund for depreciable equipment used in commercial wood harvesting applies only when the harvesting is performed by residents of the United States or by business entities with headquarters in the United States.

#### **Public Hearing:**

##### Proponents

- The sponsor presented the bill, provided information regarding bonded workers and indicated he would support expanding the bill to include agriculture and commercial fishing.
- A representative of the Professional Logging Contractors of Maine testified in support of the bill.

Opposed - none

NFNA- none

**Technical Issues:** Possible constitutional issue. Committee members may want to request a legal opinion if there is interest in moving forward with this bill.

**Fiscal Information:** The preliminary fiscal impact statement was not available at the time this analysis was finalized. The most current fiscal information can be found online at: [www.mainelegislature.org/LawMakerWeb/search.asp](http://www.mainelegislature.org/LawMakerWeb/search.asp).