

OFFICE OF FISCAL AND PROGRAM REVIEW

Date: April 22, 2013
To: Members, Joint Standing Committee on Taxation
From: Elizabeth Cooper, Legislative Analyst
Re: Final Amendment Review – LD 916

An amendment and fiscal note for LD 916 are attached for your review.

LD 916, An Act To Promote Investment in Maine's Communications Network and Natural Gas Network

The Committee voted on April 5, 2013, with a divided report of OTPA/ONTP.

- The amendment removes from the bill the sales tax exemption for natural gas heating equipment sold to a business or residential consumer.
- The fiscal note indicates that exempting telecommunication equipment sold to telecommunications services providers reduces General Fund revenue by \$4,561,648 in FY 2013-14 and \$5,608,145 in FY 2014-15 and Municipal Revenue Sharing by \$240,087 in FY 2013-14 and \$295,165 in FY 2014-15.

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18

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. 640, L.D. 916, Bill, “An Act To Promote Investment in Maine's Communications Network and Natural Gas Network”

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

'An Act To Promote Investment in Maine's Communications Network'

Amend the bill by striking out all of section 2 (page 1, lines 6 to 8 in L.D.)

SUMMARY

This amendment provides a sales tax exemption for telecommunications equipment sold to a provider of telecommunications services. It removes the provision that provides a sales tax exemption for natural gas heating equipment sold to a business or residential consumer.



126th MAINE LEGISLATURE

LD 916

LR 1543(02)

An Act To Promote Investment in Maine's Communications Network and Natural Gas Network

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2013-14	FY 2014-15	Projections FY 2015-16	Projections FY 2016-17
Net Cost (Savings)				
General Fund	\$4,561,648	\$5,608,145	\$5,860,510	\$6,124,234
Revenue				
General Fund	(\$4,561,648)	(\$5,608,145)	(\$5,860,510)	(\$6,124,234)
Other Special Revenue Funds	(\$240,087)	(\$295,165)	(\$308,448)	(\$322,328)

Fiscal Detail and Notes

Exempting telecommunication equipment sold to telecommunications services providers reduces General Fund revenue by \$4,561,648 in FY 2013-14 and \$5,608,145 in FY 2014-15 and Municipal Revenue Sharing by \$240,087 in FY 2013-14 and \$295,165 in FY 2014-15.