

## OFFICE OF FISCAL AND PROGRAM REVIEW

Date: April 5, 2013

To: Members, Joint Standing Committee on Taxation

From: Elizabeth Cooper, Legislative Analyst

### **LD 979, An Act To Exempt the Sale of the United States Flag from the Sales Tax**

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**Summary:** This bill exempts sales of the United States flag made entirely of cloth from sales tax.

#### **Public Hearing:**

##### Proponents

- The sponsor presented the bill and provided written testimony.
- *Major points:* tribute to veterans and our country; one more way to honor the American flag.

Opposed - none

NFNA – none

**Technical Issues:** May need additional definitions or clarification.

**Fiscal Information:** The preliminary fiscal impact statement indicates that a similar bill in the 124th, which did not make a distinction in the material of the flag, had an estimated revenue loss of between \$400,000 and \$600,000; revenue reduction for this bill may be lower. See fiscal information at: [www.mainelegislature.org/LawMakerWeb/search.asp](http://www.mainelegislature.org/LawMakerWeb/search.asp).