



# Sales Tax Updates

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# Agenda

## Legislative Changes from the 130th First Regular and First Special Legislative Sessions

- **Sales Tax**
- **Sales and Use Tax Exemptions**
- **Hospital Tax**
- **Marijuana Excise Tax**



# Agenda

## Exemptions and Documentation

- **Exempt Organizations**
- **Exempt Items**
- **Exempt Uses**
  - Vehicles Purchased by Nonresidents
  - Commercial Activities
  - Items Used in Production (Manufacturing)
- **Resale Certificates**



# Sales Tax

*Legislative Changes*



# Updates to Registration of Sellers

- **Repealed and replaced 36 M.R.S. § 1754-B to resolve a conflict from the last legislative session (two versions of the same section of law enacted at the same time)**
- **Removed the 200-transaction threshold for both remote seller and marketplace facilitator registration requirements**
- **Effective January 1, 2022**



# Updates to Registration of Sellers

## 36 M.R.S. § 1754-B(1-B)

B. Every person that makes sales of tangible personal property or taxable services in this State if the person's gross sales from delivery of tangible personal property or taxable services into this State in the previous calendar year or current calendar year exceeds \$100,000;

K. A marketplace facilitator if the marketplace facilitator's gross sales of tangible personal property or taxable services in this State in the previous calendar year or current calendar year exceeds \$100,000.

*PL 2021, c. 181, Pt. B, §5 and affected by §7  
Effective January 1, 2022*



## In This State

*To further clarify “sales in Maine” versus “sales into Maine,” the definition for “in the State” was clarified to refer to sales of tangible personal property and taxable services sourced to Maine.*

### **36 M.R.S. § 1752(5)**

5. In this State or in the State. “In this State” or “in the State” means within the exterior limits of the State of Maine and includes all territory within these limits owned by or ceded to the United States of America and includes sales of tangible personal property and taxable services sourced in this State pursuant to section 1819.

*PL 2021, c. 181, Pt. B, §1 and affected by §7  
Effective January 1, 2022*



## In This State

*Additionally, the word “retail” was removed from the first paragraph of the second Sourcing subsection.*

*All sales in Maine are sourced according to 36 M.R.S. § 1819 – including casual sales, wholesale sales, and sales by remote sellers, marketplace facilitators, and marketplace sellers.*

### **36 M.R.S. § 1819(2)**

#### **2. Sourcing for sales of tangible personal property and taxable services.**

The ~~retail~~ sale of tangible personal property or a taxable service is sourced in this State pursuant to this subsection.

*PL 2021, c. 181, Pt. B, §6 and affected by §7  
Effective January 1, 2022*





# Persons Presumptively Required to Register

## **36 M.R.S. § 1754-B(1-A)**

Created a rebuttable presumption that a seller not required to register under 36 M.R.S. § 1754-B(1-B) may be engaged in the business of selling tangible personal property or taxable services for use in Maine and would be required to register with MRS as a retailer

**1 Jan. 2022**

This section is repealed, effective January 1, 2022.

*PL 2021, c. 181, Pt. B, §4 and affected by §7  
Effective January 1, 2022*



## Pickup Truck Exclusion

(3) The sale, to a person engaged in the business of renting automobiles, of automobiles, integral parts of automobiles or accessories to automobiles, for rental or for use in an automobile rented for a period of less than one year. ~~For the purposes of this subparagraph, "automobile" includes a pickup truck or van with a gross vehicle weight of less than 26,000 pounds;~~

(3-A) The sale, to a person primarily engaged in the business of renting automobiles, of pickup trucks or vans with a gross vehicle weight of less than 26,000 pounds, integral parts of such vehicles or accessories for such vehicles, for rental or for use in such a vehicle rented for a period of less than one year.

*PL 2021, c. 181, Pt. B, §§3 and 4 and affected by §7  
Effective January 1, 2022*



# ATV Rental Fund

Section §1820 was enacted, which would transfer 90% of the revenue attributable to the short-term rental of all-terrain vehicles into the ATV Recreational Management Fund (which would fund ATV trail maintenance and related projects), beginning January 1, 2022.

Remaining 10% of revenue deposited into the Multimodal Transportation Fund, which provides funding for public transportation (among other things)

***PL 2021, c. 446, §2  
Effective October 18, 2021***

# Sales and Use Tax Exemptions

*Legislative Changes*



# New Exemption (1)

## Menstrual Products

- **Beginning October 1, 2021, sales of menstrual products. For purposes of this subsection, “menstrual products” means tampons, panty liners, menstrual cups, sanitary napkins and other similar tangible personal property designed for feminine hygiene in connection with the human menstrual cycle.**

*PL 2021, c. 398, Pt. H, §2  
Effective July 1, 2021*





## New Exemption (2)

### Area Agency on Aging

- **Beginning January 1, 2022, sales to an area agency on aging designated under Title 22, section 5116, subsection 1, paragraph B, or sales to a public or nonprofit private agency that is operating under grants authorized by Title 22, chapter 1457, that is providing social services in order to secure and maintain maximum independence and dignity in a home environment for older people capable of self-care with appropriate supportive services.**

***PL 2021, c. 399, §1  
Effective October 18, 2021***



## New Exemption (3)

### Nonprofit Cemeteries

- **Sales to a cemetery company that is exempt from federal income tax under Section 501(c)(13) of the Code.**
- **Effective January 1, 2022.**

*PL 2021, c. 416, §1 and affected by §2  
Effective October 18, 2021*



## New Exemption (4)

### Certain Educational Collaboratives

- **Beginning January 1, 2022, sales to an incorporated nonprofit collaborative whose members are regional school units, as defined in Title 20-A, section 1, subsection 24-B, and that is organized to assist those units with professional development opportunities and services.**

***PL 2021, c. 417, §1  
Effective October 18, 2021***



# New Exemption (5)

## Firearm Safety Devices

**Beginning January 1, 2022, sales of firearm safety devices. For purposes of this subsection, “firearm safety device” means, if specifically designed for securing firearms:**

- A. A safe or lockbox; or**
- B. A trigger or barrel lock.**

***PL 2021, c. 440, §1  
Effective October 18, 2021***



# Diabetic Supplies

*The exemption for diabetic supplies was amended to specify the items must be used by the purchaser in order to claim exemption.*

**33. Diabetic supplies.** All equipment and supplies, whether medical or otherwise, used by the purchaser in the diagnosis or treatment of human diabetes.

**PL 2021, c. 253, Pt. B, §1**  
**Effective October 18, 2021**





# Hard of Hearing Organizations

*An omnibus bill was enacted to update certain terms throughout all Maine statutes – “handicapped persons” to “persons with disabilities,” “hearing-impaired persons” to “persons who are hard of hearing,” etc.*

*As a result, the exemption for organizations that assist persons who are hard of hearing was amended in both the sales tax and service provider tax laws.*

**PL 2021, c. 348, §§56 and 57  
Effective October 18, 2021**



# Hard of Hearing Organizations

**Organizations providing certain services for ~~hearing-impaired~~ persons who are hard of hearing.** Sales to incorporated nonprofit organizations whose primary purposes are to promote public understanding of hearing ~~impairment~~ loss and to assist ~~hearing-impaired~~ persons who are hard of hearing through the dissemination of information about hearing ~~impairment~~ loss to the general public and referral to and coordination of community resources available to ~~hearing-impaired~~ persons who are hard of hearing.

*PL 2021, c. 348, §§56 and 57  
Effective October 18, 2021*



## Exemptions Enacted in 2020

*Three exemptions enacted in 2020 were updated to reflect their true effective date, as well as making some grammatical and structural changes.*



# Exemptions Enacted in 2020

**104. Nonprofit youth camps.** Sales occurring on or after June 16, 2020 to a nonprofit youth camps camp as defined in Title 22, section 2491, subsection 16 that ~~are~~ is licensed by the Department of Health and Human Services and ~~receive~~ receives an exemption from property tax under section 652, subsection 1.

*PL 2021, c. 253, Pt. B, §2 and affected by §9  
Effective retroactive to June 16, 2020*



# Exemptions Enacted in 2020

**105. Pet food assistance organization.** Sales occurring on or after June 16, 2020 to an incorporated nonprofit organization organized for the purpose of providing food or other supplies intended for pets at no charge to owners of those pets.

*PL 2021, c. 253, Pt. B, §3 and affected by §9  
Effective retroactive to June 16, 2020*





## Exemptions Enacted in 2020

*The exemption for “worldwide charitable organizations” was repealed and replaced to clarify that the local branches of the worldwide nonprofit charitable organization are able to receive the exemption, rather than the parent organization.*

**PL 2021, c. 253, Pt. B, §4 and affected by §9**  
**Effective retroactive to June 16, 2020**



# Exemptions Enacted in 2020

**106. Locally organized member of nonprofit worldwide charitable organization.** Sales occurring on or after June 16, 2020 to a community-based independent incorporated nonprofit member organization of a nonprofit worldwide charitable organization if the primary purpose of the community-based independent incorporated nonprofit member organization is to provide financial support using private funding to another unaffiliated nonprofit charitable organization at the community level.

*PL 2021, c. 253, Pt. B, §4 and affected by §9  
Effective retroactive to June 16, 2020*



# Pine Tree Development Zone

The Pine Tree Development Zone program was extended an additional two years

- **New businesses may apply to be a PTDZ business up through December 31, 2023**
- **A qualified Pine Tree Development Zone business's tax exemptions or refund provisions would now sunset on December 31, 2033**

*PL 2021, c. 398, Pt. IIII, §3 and §4  
Effective retroactive to July 1, 2021*



# Motor Vehicle Oil Premiums

## Oct. 2019

- FAME notified MRS in October 2019 that motor vehicle oil dealers were no longer required to pay the motor vehicle oil premiums, as there were no outstanding liabilities remaining.

## Jan. 2020

- Motor Vehicle Oil Premium lines were removed from the Sales Tax Return in time for the January 2020 return.

## Now

- The statute has now caught up with the October 2019 notification, and the premiums and related reimbursement provisions have been repealed.

*PL 2021, c. 1, Pt. M  
Effective Sept. 1, 2021*



# COVID-Related

**Machinery or equipment used in production.** The definition of “primarily” in the Maine Revised Statutes, Title 36, section 1752, subsection 9-A, is modified by replacing “time” with “days in use” if the 2 year period described in that definition includes any portion of the state of emergency declared by the Governor due to the pandemic related to coronavirus disease 2019, also known as COVID-19.

*PL 2021, c. 181, Pt. D, §3  
Effective October 18, 2021*





# COVID-Related

## 36 M.R.S. § 1760(45)(A-4).

If the property is brought into this State solely to conduct activities directly related to a declared state disaster or emergency, at the request of the State, a county, city, town or political subdivision of the State or a registered business, the property is owned by a person not otherwise required to register as a seller under section 1754-B and the property is present in this State only during a disaster period. As used in this paragraph, “declared state disaster or emergency” ~~has~~ and “disaster period” have the same meaning as in Title 10, section 9902, ~~subsection~~ subsections 1 and “disaster period means the period of 60 days that begins with the date of the Governor’s proclamation of a state of emergency or the declaration by the President of the United States of a major disaster or major emergency, whichever occurs first 2, respectively;

***PL 2021, c. 181, Pt. D, §3  
Effective October 18, 2021***

# Hospital Tax

*Legislative Changes*



# Municipally Funded Hospital

**36 M.R.S. § 2891(1-A).**

**Municipally funded hospital.** “Municipally funded hospital” means ~~Mayo Regional Hospital in Dover-Foxcroft or Cary Medical Center in Caribou.~~

*PL 2021, c. 253, Pt. B, §5  
Effective October 18, 2021*



# New Fiscal Year

## **36 M.R.S. § 2892, last two paragraphs:**

For state fiscal years beginning on or after July 1, 2019 but before July 1, 2021, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2016.

For state fiscal years beginning on or after July 1, 2021, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2018.

*PL 2021, c. 29, Pt. M, §2  
Effective June 29, 2021*



# Marijuana Excise Tax

*Legislative Changes*



# Title 28-B Changes

## 28-B M.R.S. § 102, Definitions

**35. Marijuana trim.** “Marijuana trim” means any part of a marijuana plant, whether processed or unprocessed, that is not marijuana flower or a marijuana seed except that “marijuana trim” does not include the stalks or roots of the marijuana plant. “Marijuana trim” does not include any part of a hemp plant as defined in Title 7, section 2231, subsection 1-A, paragraph D.

**37. Mother plant.** “Mother plant” means a ~~mature~~ marijuana plant that is used solely for the taking of seedling cuttings. “Mother plant” does not include hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

*PL 2021, c. 226, §§1 and 2  
Effective June 16, 2021*



## New Definitions in 36 M.R.S. § 4921

13. **Wet marijuana flower.** “Wet marijuana flower” means marijuana flower that is not dried, cured or otherwise prepared in any manner to reduce or eliminate any water weight.
14. **Wet marijuana trim.** “Wet marijuana trim” means marijuana trim that is not dried, cured or otherwise prepared in any manner to reduce or eliminate any water weight.

*PL 2021, c. 323, §§1 and 2  
Effective June 22, 2021*



# Excise Tax Changes

## 36 M.R.S. § 4921(1)

**1. Excise tax on marijuana flower and ~~mature marijuana plants~~.** A cultivation facility licensee shall pay an excise tax of \$335 per pound or fraction thereof of marijuana flower ~~or mature marijuana plants~~ sold to other licensees in the State.

*PL 2021, c. 323, §3  
Effective June 22, 2021*





# Excise Tax Changes

## 36 M.R.S. § 4921(3-A)

**3-A. Excise tax on mature marijuana plants.** Beginning July 1, 2021, a cultivation facility licensee shall pay an excise tax of \$35 per mature marijuana plant sold to other licensees in the State.

*PL 2021, c. 323, §4  
Effective June 22, 2021*



# Excise Tax Changes

## 36 M.R.S. § 4923-A

### §4923-A. Calculation of excise tax imposed on wet marijuana flower and wet marijuana trim.

For purposes of the excise tax imposed pursuant to section 4923 on wet marijuana flower or wet marijuana trim, a cultivation facility licensee shall calculate the taxable weight by reducing the total weight of the wet marijuana flower or wet marijuana trim by 75% before applying the excise tax.

*PL 2021, c. 323, §5  
Effective June 22, 2021*

# Exemptions and Documentation



# Exemptions

Generally speaking, Exemptions are classified into three groups:

- **Organizational Purpose:** certain organizations that are provided an exemption, based on nonprofit or mission status
- **Product:** individual items that are excluded from taxability
- **Use:** items are excluded from taxability based on the item's usage in a certain activity
  - Commercial activities; manufacturing; etc.



# Exemptions

Maine statute DOES **NOT** provide a blanket sales and use tax exemption for nonprofit organizations who have been granted a federal tax exemption, known as 501(c) organizations.

A purchaser presenting a 501(c) determination letter does **not** provide proof of exemption from sales tax.



# Examples of Exempt Organizations

- **Governmental – Federal and Maine**
- **Schools – public and private**
- **Churches and houses of religious worship**
- **Hospitals**
- **Variety of healthcare, educational, religious, veteran's, and children's organizations**
- **All found in Title 36, § 1760**
- **Most require incorporation and nonprofit status**



# Exemption Certificate



## Maine Revenue Services EXEMPTION CERTIFICATE

NAME OF ORG  
ADDRESS

Registration Number:  
Effective Date:  
Notice Number:

This certifies that the organization named above is an incorporated nonprofit organization that provides free temporary emergency shelter or food for underprivileged individuals in the State of Maine. It is therefore entitled to purchase tangible personal property or taxable services that will be used exclusively by the organization for the purposes for which it is organized without payment of the Maine sales or use tax.

*This Exemption Certificate is issued under the provisions of 36 M.R.S. §§ 1751 - 2113*

- This certificate cannot be used for purchases when payments are made with cash, personal checks, or personal credit cards without an accompanying purchase order.
- All purchases must be billed directly to and paid for by the organization, or must be accompanied by a purchase order issued by the organization that identifies specifically the items to be purchased.
- A copy of this completed and signed certificate must be provided by the organization, and a copy maintained in the files of the vendor in order to permit purchases exempt from tax. It is only necessary to provide one copy of this certificate to the vendor. Subsequent purchases should be identified as exempt from tax.
- The property or service purchased must be used exclusively by the organization named above for the purposes for which it is organized.
- This certificate may not be used for activities that are mainly commercial enterprises, including, but not limited to, purchases of items to be resold by the organization.
- This certificate must be taken in good faith from the organization. The good faith of the vendor may be questioned if, at the time of the sale, the vendor has knowledge of facts that give rise to a reasonable inference that:
  - The purchaser is not the holder of the exemption certificate,
  - The exemption certificate has been revoked or is otherwise invalid at the time of the sale, or
  - The merchandise or service is not to be used exclusively by the exempt organization.

**I HEREBY CERTIFY** that the above exemption certificate is valid and that the tangible personal property or taxable services described below which I shall purchase from \_\_\_\_\_ will be used exclusively by the organization named above for purposes for which it is organized, consistent with the exemption provided in 36 M.R.S. § 1760 or 36 M.R.S. § 2557.

Description of Purchases: \_\_\_\_\_

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date



# Burden of Proof

## *Rule 302, "Sales to Governmental Agencies and Exempt Organizations"*

Pursuant to 36 M.R.S. § 1760-C, an exemption provided by 36 M.R.S. § 1760 to a person based upon its charitable, nonprofit, or other public purposes applies only if the property or service purchased is intended to be used by the person primarily in the activity identified by the particular exemption.





# Burden of Proof

## *Rule 302, "Sales to Governmental Agencies and Exempt Organizations"*

The burden of proving a sale is to an organization that is exempt under 36 M.R.S. § 1760 is on the person making the sale.

The retailer is relieved of this burden of proof if it satisfies the provisions of this rule.



# Exempt Sale Documentation

For sales made to the U.S. Government, State of Maine, Maine cities and counties:

- **Exemption certificates are not needed – governmental entities are not required to obtain a tax exemption certificate**
- **A retailer must document all tax-free sales to governmental agencies by listing the name of the governmental agency on the invoice or sales slip**

For all other exempt entities:

- **Must present an exemption certificate that has been issued by MRS to the retailer at time of purchase**

**Purchases must be made and paid for by the exempt entity**



# Exempt Sale Documentation

*See Rule 302, "Sales to Governmental Agencies and Exempt Organizations"*

Direct billed to the agency – **Exempt**

Paid by cash, personal check, or personal credit card – **Taxable**, unless accompanied by a purchase order issued by the exempt organization

Paid by credit/debit card of the organization – **Exempt**, but the retailer must document who (the employee), when and the last 4 digits of the card

- **For US Govt. Agencies, this could be a GSA SmartPay or SmartPay 2 card, which are billed directly to the U.S. Govt.**



# Exempt Items

Detailed list in the Sales Tax Business Guide and Reference Guide

- **(available on MRS website)**

Items excluded from the sales tax include:

- **Grocery staples**
- **Residential fuel, water**
- **Prescription medicines and other medical items**



# Exempt Sale Documentation

Most items specifically exempted from the sales tax require no additional documentation provided to the retailer

- **Grocery staples**
- **Residential fuel, water (denoted as residential by delivery address)**
- **Prescription medicines (denoted by the prescription)**



# Items Exempted by Use

Certain items are exempted from sales tax based on

- **How it's being used; or**
- **Who is using the item**

HOW:

- **Commercial activities (farming; fishing; wood harvesting)**
- **Manufacturing**
- **Vehicles used in interstate commerce**

WHO:

- **Vehicles purchased by nonresidents and immediately removed from the state**



## Exempt Sale Documentation

Sales of items that will be used in or by an exempt activity or person require an affidavit to be presented to the retailer at the time of purchase

Identifies the item being purchased, the purchaser, and the exempt use of the item



## Exempt Sale Documentation

Purchase of a motor vehicle (including ATVs and snowmobiles), camper trailer, aircraft, semitrailer by a nonresident

- **“Affidavit of Exemption for Immediate Removal”**

Purchase of watercraft by a nonresident

- **“Affidavit of Exemption for Watercraft”**

Purchase of adaptive equipment installed into a motor vehicle to make that vehicle operable or accessible by a person with a disability

- **“Affidavit for Purchase of Adaptive Equipment”**





# Commercial Activities

- **Commercial Agricultural Production**
- **Commercial Aquacultural Production**
- **Commercial Fishing**
- **Commercial Wood Harvesting**
  
- **Electricity**
- **Fuel**
- **Depreciable machinery or equipment**
  - Used in one of the above commercial activities



# Commercial Activities

- **Commercial Agricultural Production**
  - **Commercial Aquacultural Production**
  - **Commercial Fishing**
  - **Commercial Wood Harvesting**
- 
- **Person engaged in an above commercial activity may apply to MRS for a commercial exemption card**



# Commercial Exemption Card

- **Allows tax-exempt purchases on electricity, fuel, or single items of machinery or equipment**
- **Upon issuance, the card is valid for a period of up to 4 years**
  - Commercial Agriculture, Aquaculture, and Fishing cards:
    - **Valid through June 30, 2022**
  - Commercial Wood Harvesting cards:
    - **Valid through June 30, 2025**
- **When purchasing electricity, fuel, or single item of machinery or equipment with exemption card, affidavit must be presented as well**



# Affidavit of Exemption

For purchases of electricity, fuel or depreciable machinery or equipment for use in commercial agricultural production, commercial fishing, commercial aquacultural production, or commercial wood harvesting



## MAINE REVENUE SERVICES SALES/EXCISE TAX DIVISION

### AFFIDAVIT OF EXEMPTION

For purchases of electricity, fuel, or depreciable machinery or equipment for use in commercial agricultural production, commercial fishing, commercial aquacultural production, or commercial wood harvesting, pursuant to Section 2013 of the Maine Sales and Use Tax Law.

I hereby certify that I hold a valid exemption certificate, No. \_\_\_\_\_, issued pursuant to Section 2013 of the Sales and Use Tax Law, and that I am engaged in;

- ☐ Commercial Agricultural Production                      ☐ Commercial Aquacultural Production  
☐ Commercial Wood Harvesting                      ☐ Commercial Fishing

I also certify that any depreciable machinery or equipment purchased through this affidavit will be used by me directly and primarily in my commercial activity indicated above, and is 100% depreciable for Federal Income Tax purposes; or that the electricity or fuel purchased will be used directly in the qualifying activities or support operations in my commercial activity indicated above.

I further certify that I assume full liability for payment to the State of Maine of any use taxes, together with penalties and interest that may later be determined to be due on any purchases covered by this affidavit because of a taxable use of the property.

The item(s) purchased from \_\_\_\_\_ is/are exempt for the reason(s) indicated below:

- ☐ a. Depreciable machinery or equipment, including repair parts used directly and primarily in the commercial activity indicated above;  
☐ b. Electricity for use in the commercial activity indicated above; Utility Account No. \_\_\_\_\_  
☐ c. Fuel for use in the commercial activity indicated above.

\_\_\_\_\_  
Name of Individual or Corporation

\_\_\_\_\_  
Business Name (if different)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



# Industrial Users

Those engaged in manufacturing may present the Industrial Users Blanket Certificate of Exemption (Form ST-A-117) as evidence that the item being purchased is to be used in the production of tangible personal property for sale

- **Machinery or equipment**
- **Ingredients or component parts**
- **Items consumed or destroyed in production**
- **Fuel or electricity used at a manufacturing facility**



# Industrial Users Blanket Certificate of Exemption



## MAINE REVENUE SERVICES SALES/EXCISE TAX DIVISION

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### INDUSTRIAL USERS BLANKET CERTIFICATE OF EXEMPTION

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For purchases of Tangible Personal Property for Use in Production  
Under Sections 1760(9-D), (29), (30), (31), (32), and (74) of the Maine Sales and Use Tax Law.

I hereby certify that the Purchaser listed below holds valid Seller's Registration Certificate No. \_\_\_\_\_, issued pursuant to the Sales and Use Tax Law, is engaged in the production of \_\_\_\_\_, and that tangible personal property to be purchased from \_\_\_\_\_ is exempt for the reason(s) indicated below:

- [ ]a. To become an ingredient or component part of tangible personal property either in the production of tangible personal property for later sale or lease, other than lease for use in this State, or in the production of tangible personal property pursuant to a contract with the United States Government or any agency thereof. § 1760(74)
- [ ]b. To be consumed or destroyed or to lose its identity directly and primarily either in the production of tangible personal property for later sale or lease, other than lease for use in this State, or in the production of tangible personal property pursuant to a contract with the United States Government or any agency thereof. § 1760(74)
- [ ]c. Constitutes machinery and equipment, or repair or replacement parts, to be used by me directly and primarily in either the production of tangible personal property for sale or lease, the production of tangible personal property pursuant to a contract with the United States Government or any agency thereof or in the generation of radio and television broadcast signals by broadcast stations regulated under 47 Code of Federal Regulations, Part 73. § 1760(31)
- [ ]d. Constitutes machinery and equipment, or repair or replacement parts, to be used by me directly and exclusively in research and development in the experimental and laboratory sense or machinery, equipment, instruments and supplies to be used by me directly and primarily in biotechnology applications. § 1760(32)
- [ ]e. Is fuel or electricity for use at a manufacturing facility (95% of the sale price is exempt)  
Meter/Account Number(s) \_\_\_\_\_. § 1760(9-D)
- [ ]f. To be used as part of or for the construction, repair or maintenance of a water or air pollution control facility, certified as such by the Commissioner of the Department of Environmental Protection. § 1760(29)-(30)

On behalf of the Purchaser listed below, I further certify that the Purchaser assumes full liability for payment to the State of Maine of any use taxes, together with penalties and interest, that may later be determined to be due on any purchases covered by this certificate because of a taxable use of the property.



# Industrial Users Blanket Certificate of Exemption

On behalf of the Purchaser listed below, I further certify that the Purchaser assumes full liability for payment to the State of Maine of any use taxes, together with penalties and interest, that may later be determined to be due on any purchases covered by this certificate because of a taxable use of the property.

\_\_\_\_\_  
NAME OF PURCHASER

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
TITLE

**NOTICE TO RETAILERS:** Retailers making exempt sales covered by this certificate must appropriately mark or stamp all invoices to indicate they are exempt sales. For items a through d and f above, the words “Maine Sales Tax Exempt” will satisfy this requirement. For item e above, the words “Fuel/electricity used at a manufacturing facility” will satisfy this requirement.

The certificate may also be used for occasional exempt purchases rather than blanket use by filling out as far as applicable, striking out the word “Blanket” and listing on the reverse side the date of order and the quantity and description of the tangible personal property ordered; or by incorporating the purchase order by reference to this certificate, as by listing date and order number.

ST-A-117

Rev. 10/1/13



# Resale Certificate

A resale certificate allows a person to purchase goods that will be resold without paying the sales tax to the vendor

- **Tax is due once**
- **Sales tax will be due from the ultimate purchaser of the item being sold**

Selling retailers making a sale for resale to a retailer need not collect the sales tax when the retailer presents their valid resale certificate to the selling retailer at the time of purchase





## Resale Certificate

The purchaser specifically states in the order that the property being purchased is for resale



The property being purchased is of the kind ordinarily purchased for resale by that purchaser (identified by the business type printed on the purchaser's resale certificate)

The selling retailer obtains, or has on file, a copy of the purchaser's valid resale certificate on the date of the sale

The copy of the resale certificate is signed by the purchaser or the purchaser's representative



# Resale Certificate

	<b>STATE OF MAINE MAINE REVENUE SERVICES RESALE CERTIFICATE</b>	
THIS CERTIFICATE IS VALID AUGUST 20 2018 THRU DECEMBER 31 2020		
<u>Business Name and Location Address</u>	<u>Certificate Number</u>	<u>Business Type</u>
SALES TEST ACCOUNT 51 COMMERCE DRIVE AUGUSTA ME 04332	0000000	WHOLESALE
<p>This is to certify that the above named business is authorized to purchase during the period indicated on this certificate: (1) tangible personal property to be resold in the form of tangible personal property, or (2) a taxable service to be resold as the same taxable service. This certificate cannot be reassigned or transferred and can only be used by the above business or its authorized employees. This certificate is void if the business has ceased operating or if the certificate has been altered.</p> <p>The above named business certifies that the following is being purchased in the ordinary course of business for resale as provided above.</p> <p>_____</p> <p>_____</p>		
Presented to: _____ (Insert name of seller on photocopy) (date)		Presented by: _____ Authorized Signature (purchaser) (date)



# Resale Certificates from Out-of-State Retailers

An out-of-state retailer that is not registered with MRS would not be able to provide an MRS-issued Resale Certificate

Could present either:

- **A copy of the Uniform Sales and Use Tax Certificate, developed by the Multistate Tax Commission\*; or**
- **A statement, on company letterhead, including the following information:**

*\*see [www.mtc.gov](http://www.mtc.gov), select "Uniform Sales and Use Tax Exemption Certificate" under "Resources"*



# Resale Certificates from Out-of-State Retailers

- A. The retailer's name and address**
- B. A declaration that the tangible personal property is being purchased for resale outside of Maine**
- C. Evidence that the nonresident retailer is engaged in making retail sales of tangible personal property of the type purchased (other state's retailer certificate)**
- D. An affirmation, made under penalties of perjury, that the information provided in the statement is true and correct as to every material matter**
- E. The signature of the purchaser executing the statement.**

*See MRS Rule 301 for more information on documenting sales for resale.*



# Contacting the Sales Tax Division



**(207) 624-9693**

9 AM – 12 PM M-F, state holidays excepted



**[sales.tax@maine.gov](mailto:sales.tax@maine.gov)**



**(207) 287-6628**



**[www.maine.gov/revenue](http://www.maine.gov/revenue)**

Select “Sales, Use & Service Provider Tax” under “Tax Divisions”



**Maine Revenue Services  
Sales, Fuel & Special Tax Division  
P.O. Box 1060  
Augusta, ME 04332-1060**