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An Act To Impose an Excise Tax on the Extraction of Water for Bottling

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 36 MRSA c. 370-A is enacted to read:

CHAPTER 370-A

EXTRACTION OF WATER FOR BOTTLING

§ 2831. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Bottled water operator. "Bottled water operator" means a person engaged in the business of bottling or packaging water for sale in containers of 5 gallons or less.

§ 2832. Excise tax

1. Imposition of tax. An excise tax is imposed on each bottled water operator that extracted more than 1,000,000 gallons of water in the previous calendar year for the privilege of engaging in the business of extracting surface water or groundwater from springs or other underground sources within the State for commercial bottling for sale.

2. Rate of tax. The excise tax is imposed at a rate of 1¢ per gallon of water extracted.

3. Payment. Each bottled water operator shall prepare and submit to the bureau a monthly report according to procedures specified by the bureau showing the total gallons of water extracted for bottling during the preceding month and other information required by the bureau. The tax must be paid each month to the bureau at the same time the report is submitted.

4. Records. Each bottled water operator shall keep a record of all water bottled in this State, and that record must be open at all times to the inspection of the assessor.

5. Enforcement. The tax imposed by this chapter may be enforced using the enforcement and collection procedures provided in chapter 7.

SUMMARY

This bill creates an excise tax of 1¢ per gallon on the extraction of surface water or groundwater from springs or other underground sources by a bottled water operator who packages water for sale in

containers of 5 gallons or less and who extracted more than 1,000,000 gallons in the previous calendar year.