

## Sales/Use/Indirect:

### Maine Revenue Services Explains New Law Shifting to Lease Stream Taxation of TPP Rentals

*Sales, Fuel, & Special Tax Division General Information Bulletin No. 114*, Me. Rev. Serv. (8/27/24); 2024 Tax Law Changes, Me. Rev. Serv. (8/24). Maine Revenue Services issued guidance summarizing and explaining recently enacted legislation [see LD 2214 / HP 1420, signed by gov. 4/22/24, and *State Tax Matters*, Issue 2024-17, for more details on this legislation] that, beginning January 1, 2025, imposes Maine sales tax on leased or rented tangible personal property on each periodic lease or rental payment paid by the lessee rather than current law, which requires the lessor to pay sales tax upfront on the full value of the lessor's purchase price of the property being leased or rented. The guidance also addresses how Maine sales tax sourcing law has been amended by implementing new sourcing provisions for leases or rentals of tangible personal property, motor vehicles, aircraft, and certain "transportation equipment" used in interstate commerce. Please contact us with any questions.

**URL:** [https://www.maine.gov/revenue/sites/maine.gov.revenue/files/inline-files/GIB%20114%20FINAL\\_2024\\_08\\_27.pdf](https://www.maine.gov/revenue/sites/maine.gov.revenue/files/inline-files/GIB%20114%20FINAL_2024_08_27.pdf)

**URL:** <https://www.maine.gov/revenue/sites/maine.gov.revenue/files/inline-files/legischange24.pdf>

**URL:** <https://legislature.maine.gov/billtracker/#Paper/HP1420?legislature=131>

**URL:** [https://dhub.deloitte.com/Newsletters/Tax/2024/STM/240426\\_8.html](https://dhub.deloitte.com/Newsletters/Tax/2024/STM/240426_8.html)

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