



STATE OF MAINE
OFFICE OF THE GOVERNOR
1 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0001

JOHN ELIAS BALDACCI
GOVERNOR

December 20, 2007

Avin Mark Domnitz, CEO
American Booksellers Association
200 White Plains Road
Tarrytown, NY 10591

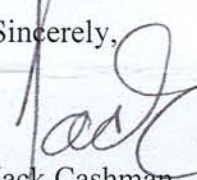
Dear Mr. Domnitz:

Thank you for your letter dated December 15, 2007. Governor Baldacci has asked me to respond on his behalf. Maine does take seriously the equitable enforcement of our taxes. Staff at Maine Revenue Services (MRS) work diligently to educate both retailers and the general public in the proper application and payment of sales and use tax. Individuals are informed of their use tax responsibilities through the MRS website and in the instructions that accompany the individual income tax return. Businesses are informed of their registration and collection responsibilities through application instructions, the website and through various sales tax seminars and symposia.

Despite these efforts, we recognize that tax revenue continues to be lost on online sales. Maine Revenue enforces the registration requirements of online retailers when nexus exists in Maine. The State has been successful in litigation with a large, multi-state retailer that has both bricks-and-mortar stores in Maine and an affiliated online business. MRS has also been successful in negotiating many voluntary registrations of affiliated online businesses.

Maine does enforce its laws uniformly and fairly. I applaud your concern and desire for the equitable treatment of bricks-and-mortar stores with online businesses.

Sincerely,


Jack Cashman
Economic Advisor to the Governor

JC/jw

cc: Kathleen McHugh, CAE, American Specialty Toy Retailing Association
Don VanCleave, Store Owner, Coalition of Independent Music Stores
Tom Carlson, Director, Independent Florist Association
Chris Bates, President, Independent Office Products & Furniture Dealers Assoc.
Tom Drake, President, North American Retail Dealers Association
Fred Clements, Executive Director, National Bicycle Dealers Association

