

MAINE STATE LEGISLATURE

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STATE OF MAINE

Inter-Departmental Memorandum Date February 8, 1963

To Ernest H. Johnson, State Tax Assessor Dept. Bureau of Taxation

From Ralph W. Farris, Assistant Attorney General Dept. Bureau of Taxation

Subject Application of excise tax to vehicles owned by Roman Catholic Church

Your memorandum of February 4, 1963, received relating to the question of excise tax exemption applicable to vehicles owned by the Roman Catholic Bishop of Portland, a corporation sole, under Section 125, Subsection VII and VIII, Chapter 91-A, R.S. 1954, as amended, and the enclosed papers including a copy of the charter of the Roman Catholic Bishop of Portland, as provided in 1887, Public & Special Laws of Maine, Chapter 151.

The corporation under this Act is empowered to receive, take and hold real and personal property for charitable, educational, burial, religious and church purposes.

Section 125, VII and VIII, Chapter 91-A, R.S. 1954, as amended, provides for exemption of vehicles owned and used solely for their own purposes by benevolent and charitable institutions incorporated by this State, and vehicles owned and used solely for their own purposes by literary and scientific institutions.

The excise tax law does not provide an exemption from the excise tax for vehicles owned by houses of religious worship or by religious societies corresponding to the property tax exemption found in Section 10, II, G, Chapter 91-A, as amended.

Insofar as the corporation is acting pursuant to its charter authority to hold property for "educational" purposes, the corporation can be considered as a literary and scientific institution; and insofar as the corporation is acting pursuant to its charter authority to hold property for "burial" and "religious" (other than "church") purposes, the corporation can be considered as a benevolent and charitable institution.

Accordingly, it would appear that vehicles owned and registered by the corporation for use in its educational, burial, or general religious (as distinct from church, or parish) activities, would be exempt from excise tax under the law as it now reads. Vehicles used for parish, or church, purposes, on the other hand, would appear to be subject to the tax.

In view of the inconsistency between the property tax exemptions and the excise tax exemptions in the case of church property, we would suggest that consideration be given to seeking amendment of the excise tax law so that church-owned vehicles are brought within the terms of Section 125.

RFJ

R.W.F.

STATE OF MAINE

Inter-Departmental Memorandum Date ~~February 4, 1963~~

To ~~Ralph N. Farris, Assistant Attorney General~~ Dept. ~~Bureau of Taxation~~

From ~~Ernest H. Johnson, State Tax Assessor~~ Dept. ~~Bureau of Taxation~~

Subject ~~Application of excise tax to vehicles owned by Roman Catholic Church~~

On October 10, 1962 a ruling was issued with respect to a pickup truck owned by a Roman Catholic parish in Augusta, and used for general parish purposes.

The question has now arisen as to whether certain vehicles owned by the corporation, the Roman Catholic Bishop of Portland, are not entitled to exemption from motor vehicle excise tax under the provisions relating to benevolent and charitable and literary and scientific organizations.

Our attention has been called to the fact that the Roman Catholic Bishop of Portland was incorporated by chapter 151 of the Private and Special Laws of 1887; and that in that Act the corporation was empowered to receive and hold real and personal property "for charitable, educational, burial, religious and church purposes. . . ." It is pointed out that the Roman Catholic Bishop of Portland, the corporation, not only holds property for church, or parish, purposes; but also for cemetery purposes, for school purposes, and for other charitable purposes. It is therefore suggested that insofar as vehicles which are appropriated to these purposes are concerned, the exemption should apply. I understand that so far as schools are concerned, the corporation owns buses in North Vassalboro, Saco, Fairfield and Van Buren; that so far as cemeteries are concerned, the corporation owns vehicles in Waterville, Sanford, Bangor and South Portland; and that so far as the general charitable purposes of the corporation are concerned, it owns two vehicles which are at the disposal of the Bishop and his assistant.

Will you please review this situation, and advise whether excise tax exemption applies to any or to all vehicles owned by the corporation, the Roman Catholic Bishop of Portland.

EHJ:j