

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 297

H. P 243

House of Representatives, January 22, 1975

Referred to Committee on Taxation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Maxwell of Jay.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT Providing for Payment of Sales Tax on Motor
Vehicles at Time of Registration.

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

Sec. 1. 29 MRSA, § 55-C is enacted to read:

§ 55-C. Collection of tax, passenger automobiles

The Secretary of State shall collect the tax imposed by Title 36, chapters 211 to 225, on passenger automobiles, as defined by Title 36, section 1752, subsection 8, at the time and place of registration of such automobile. The tax collected shall be transmitted forthwith by the Secretary of State to the Treasurer of State and shall be credited to the General Fund.

Sec. 2. 36 MRSA, § 1755, 2nd sentence, as enacted by PL 1969, c. 18, is amended to read:

Such applicant, other than the applicant for the registration of a passenger automobile, shall file with the registering agency a certificate in such form as may be prescribed by the Tax Assessor containing the name of vendor, date of purchase, sale price and such other information as may be pertinent to determination of tax liability; and the registering agency shall forward such certificate promptly to the Bureau of Taxation.

Sec. 3. 36 MRSA, § 1758, first sentence, is amended to read:

Every person making a purchase for resale or use in this State and other than at casual sale of any article of tangible personal property, other than a passenger automobile, as to which no sales tax has been paid pursuant to chapters 211 to 225 and renting it to another in this State shall be liable for a use tax thereon as provided in section 1861 based on the purchase price thereof, unless such renting is while holding it for resale and unless within 30 days

after first so renting it he certifies in writing to the Tax Assessor on a form prescribed and furnished by the Tax Assessor that such article was purchased by him for resale.

Sec. 4. 36 MRSA, § 1760, sub-§ 22, last sentence, is repealed.

Sec. 5. 36 MRSA, § 1812-A is enacted to read.

§ 1812-A. Tax on passenger automobiles

The tax imposed by chapters 211 to 225 shall not be added to the sale price of passenger automobiles nor recoverable by the retailer as part of the sale price.

Sec. 6. 36 MRSA, § 1862 is amended to read:

§ 1862. Taxes paid in other jurisdictions

The use tax provisions of chapters 211 to 225 shall not apply in respect to the use, storage or consumption in this State of tangible personal property purchased at retail sale outside the State where the purchaser has paid a sales or use tax equal to or greater than the amount imposed by chapters 211 to 225 in another taxing jurisdiction, the proof of payment of such tax to be according to rules and regulations made by the Tax Assessor or by the Secretary of State in the case of passenger automobiles. If the amount of tax paid in another taxing jurisdiction is not equal to or greater than the amount of tax imposed by chapters 211 to 225, then the purchaser shall pay to the Tax Assessor or to the Secretary of State in the case of passenger automobiles an amount sufficient to make the tax paid in the other taxing jurisdiction and in this State equal to the amount imposed by chapters 211 to 225.

Sec. 7. 36 MRSA, § 1952, first sentence, is amended to read:

The taxes imposed by chapters 211 to 225 shall be due and payable at the time of the sale, except as provided in section 1952-A; or, in the case of tax on rental for living quarters, at the time the rental is payable.

Sec. 8. 36 MRSA, § 1952-A is enacted to read:

§ 1952-A. Payment of tax on passenger automobiles

The tax imposed by chapters 211 to 225 on passenger automobiles shall be paid by the purchaser or other person seeking registration of the automobile, at the time and place of registration of such automobile. The tax shall be collected by the Secretary of State and transmitted to the Treasurer of State as provided by Title 29, section 55-C.

FISCAL NOTE

It is estimated that this bill will result in the reduction of 5 positions in the Bureau of Taxation at an annual savings of \$33,000 plus other expenses in the amount of \$16,000.

STATEMENT OF FACT

The purpose of this bill is to provide for the payment of sales tax on motor vehicles at the time the motor vehicle is registered.