

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 1484

H. P. 1188

House of Representatives, March 25, 1975

On Motion of Mr. Drigotas of Auburn, referred to the Committee on Taxation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Morton of Farmington.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT Relating to Sales Tax on Aircraft and Sales Tax Exemption on Trade-in Credit for Aircraft.

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

Sec. 1. 36 MRSA § 1752, sub-§ 1-A is enacted to read:

1-A. Aircraft. "Aircraft" means any powered contrivance designed for navigation in the air except a rocket or missile.

Sec. 2. 36 MRSA § 1764 is amended to read:

§ 1764. Tax against isolated motor vehicle or aircraft transactions except sale for resale

The tax imposed by chapters 211 to 225 shall be levied upon all isolated transactions involving the sale of motor vehicles or aircraft excepting those sold for resale, and excepting an isolated transaction involving the sale of motor vehicles or aircraft to a corporation when the seller is the owner of a majority of the common stock of such corporation.

Sec. 3. 36 MRSA § 1765, as reenacted by P&SL 1969, c. 154, Sec. G, § 1, is amended to read:

§ 1765. Trade-in credit for vehicles or aircraft

When one or more motor vehicles, aircraft or farm tractors are traded in toward the sale price of another motor vehicle, aircraft or farm tractor, the tax imposed by chapters 211 to 225 shall be levied only upon the difference between the sale price of the purchased motor vehicle, aircraft or farm tractor and the sale price of the motor vehicle or vehicles, aircraft or farm

tractor or tractors taken in trade, except for transactions between dealers involving exchange of farm tractors, **aircraft** or motor vehicles from inventory.

FISCAL NOTE

Because it is believed that the additional tax derived from taxing casual sales of aircraft will offset any loss resulting from granting a trade-in exemption for aircraft, it is estimated that there will be neither a gain nor loss of revenue on this bill.

STATEMENT OF FACT

This Act will cause aircraft to be treated in the same manner as automobiles for purposes of sales and use taxation.