

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

(After Deadline)  
SECOND REGULAR SESSION

---

---

ONE HUNDRED AND EIGHTH LEGISLATURE

---

---

**Legislative Document**

**No. 2059**

H. P. 1976

House of Representatives, January 12, 1978

The Committee on Taxation suggested. Approved for introduction by a Majority of the Legislative Council pursuant to Joint Rule 25.

EDWIN H. PERT, Clerk

Presented by Mrs. Boudreau of Portland

---

---

STATE OF MAINE

---

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-EIGHT

---

**An Act to Correct the Inequitable Taxation of Mobile and Modular Homes.**

---

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

**Sec. 1.** 36 MRSA § 1482, sub-§ 1, ¶ B, as amended by PL 1975, c. 252, § 17, is repealed and the following enacted in its place:

**B. Mobile homes.** For the privilege of operating a mobile home upon the public ways, each mobile home shall be subject to an excise tax of \$15.

**Sec. 2.** 36 MRSA § 1760, sub-§ 39 is enacted to read:

**39. Mobile and modular homes.** Sales of used mobile or modular homes and all costs included in the sale price other than cost of materials, except that that amount shall not be in excess of 50% of the sale price of a new mobile or modular home.

**Sec. 3. Appropriation.** The following funds shall be appropriated from the General Fund to carry out the purposes of this Act:

	1977-78	1978-79
FINANCE AND ADMINISTRATION,		
DEPARTMENT OF		
Bureau of Taxation		
Personal Services	(1) \$11,700	(1) \$15,600
All Other	1,200	1,500
Capital Expenditures	1,000	— 0 —
	-----	-----
Total	\$13,900	\$17,100

#### Fiscal Note

Enactment of this bill would result in a reduction of revenue in the amount of \$420,000 for the first year of the biennium and \$560,000 for the 2nd year of the biennium. Ninety-six percent of the loss would be attributable to the General Fund and 4% to the Local Government Fund.

#### STATEMENT OF FACT

Maine owners and buyers of mobile and modular homes are required to pay additional and inequitable taxes because of omission and lack of clarity in the Maine statutes.

Buyers are required to pay sales tax on charges for labor, permits, transportation costs and other items which are not presently taxable under the Sales and Use Tax Law. They also shall pay sales tax when they purchase used homes, but only when buying from a dealer.

Owners shall pay real estate taxes similar to all other homeowners in Maine, and also shall pay excise taxes that are collected for automobiles if the home is relocated from one dwelling site to another. The present schedule for these taxes often requires payment of a tax exceeding any excise on automobiles which have access to and may use highways all year long while the move of a mobile or modular home requires only one or 2 days of use of highways. As their primary function is that of a dwelling, it is more appropriate that they be taxed as real property and not in excise, and this bill provides for a minimum charge for that use.

This bill will clarify the present statute to permit equitable taxation of this type of housing in the same manner as other housing types and will relieve the State from collecting these inequitable taxes which might result in challenges of the law.