

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES (Filing No. H-825)
109TH LEGISLATURE
SECOND REGULAR SESSION

HOUSE AMENDMENT "D" to COMMITTEE AMENDMENT "A" to H.P. 1723, L.D. 1827, Bill, "AN ACT to Amend Allocations from the Highway Fund for the Fiscal Years from July 1, 1979 to June 30, 1980 and from July 1, 1980 to June 30, 1981, Decrease the State Aid Bonus from 40% to 20%, and Revise Drivers' License and Examination Fees."

Amend the /^{amendment} by striking out the title and inserting in its place the following: 'AN ACT to Revise Allocations from the Highway Fund for the Fiscal Years Beginning July 1, 1979 and Ending June 30, 1981, Revise Driver's Examination Fees and to Increase the Gasoline Tax.'

Further amend the /^{amendment} by striking out everything after the enacting clause and inserting in its place the following:

' Sec. 1. 29 MRSA, §582, sub-§§ 1 and 2, as
enacted by PL 1975, c. 589, §21, are amended to read:

1. Class 1 or 2 license. The examination fee shall be \$8 \$13, which shall include the first road test. All subsequent examination fees shall be \$5 \$8.

2. Class 3 license. The examination fee shall be \$5 \$10, which shall include the first road test. All subsequent examination fees shall be \$3 \$5.

Sec. 2. 36 MRSA, §2903, first sentence, as last amended by PL 1977, c. 572, §2, is further amended to read:

An excise tax is levied and imposed at the rate of 9¢ 11¢ per gallon upon internal combustion engine fuel sold or used

within this State, including such sales when made to the State or any political subdivision thereof, for any purpose whatsoever, excepting such internal combustion engine fuel sold or used in such form and under such circumstances as shall preclude the collection of this tax by reason of the laws of the United States, or sold wholly for exportation from the State, or brought into the State in the ordinary standardized equipment fuel tank attached to and forming a part of a motor vehicle and used in the operation of such vehicle within the State, except that the rate shall be 1¢ per gallon upon internal combustion engine fuel as defined in section 2902 bought or used by any person, association of persons, firm or corporation for the purpose of propelling jet or turbojet engine aircraft, not for international flights, including such sales when made to the State or any political subdivision thereof, and except that the rate shall be 2¢ per gallon upon internal combustion engine fuel as defined in section 2902 bought or used by any person, association of persons, firm or corporation for the purpose of propelling jet or turbojet engine aircraft for international flights excepting such fuel sold or used under such circumstances as shall preclude the collection of this tax by reason of the laws of the United States, or sold wholly for exportation from the State, or brought into the State in the fuel tanks of an aircraft.

Sec. 3. 36 MRSA §2905, as last amended by PL 1971, c. 529, §2, is further amended to read:

§2905. Distributor or importer collects 1½¢ additional

Each distributor or importer paying or becoming liable to pay the tax imposed by this chapter shall be entitled to charge and collect ~~9¢~~ 11¢ per gallon only as a part of the selling price of the internal combustion engine fuels subject to the tax.

Sec. 4. 36 MRSA, §2906, 4th sentence, as repealed and replaced by PL 1973, c. 7, §1, is amended to read:

At the time of the filing of said report, each distributor and importer shall pay to the State Tax Assessor a tax of ~~9¢~~ 11¢ upon each gallon so reported as sold, distributed or used and the State Tax Assessor shall pay over all receipts from such tax to the Treasurer of State daily.

Sec. 5. 36 MRSA, §2908, as last amended by PL 1979, c. 549, is further amended to read:

§2908. Refund of 10/11 of tax in certain cases; time limit

Any person, association of persons, firm or ~~corporation~~ corporation who shall buy and use any internal combustion engine fuel as defined in this chapter for the purpose of operating or propelling commercial motor boats, tractors used for agricultural purposes not operating on public ways, or vehicles owned or operated by railroad companies while operating on rails or tracks, or in stationary engines, or in the mechanical or industrial arts, or for any other commercial use except in nonrailroad motor vehicles operated or intended to be operated upon any of the public highways of this State, or turnpikes operated and main-

tained by the Maine Turnpike Authority, or except as provided in section 2910, in the operation of aircraft, and who shall have paid any tax on internal combustion engine fuel levied or directed to be paid as provided by this chapter, either directly by the collection of the tax by the vendor from the consumer, or indirectly by adding the amount of that tax to the price of that fuel and paid by that consumer, shall be reimbursed and repaid to the extent of ~~8/9~~ 10/11 of the amount of the tax paid by him upon presenting to the State Tax Assessor a sworn statement accompanied by the original invoices or other evidence as the State Tax Assessor may require showing those purchases, which statement shall show the total amount of the fuel so purchased and used by that consumer other than in nonrailroad motor vehicles operated or intended to be operated upon any of the public highways of the State and in the operation of aircraft. Applications for refunds shall be filed with the State Tax Assessor within 15 months from the date of purchase.

Sec. 6. 36 MRSA, §2910, as last amended by PL 1971, c. 529, §6, is further amended to read:

§2910. Refund of 7/11 of tax to users of aircraft

Any person, association of persons, firm or corporation who shall buy and use any internal combustion engine fuel as defined in section 2902, for the purpose of propelling piston engine aircraft and who shall have paid any tax on internal combustion engine fuel levied or directed to be paid as provided by this chapter, either directly by the collection of such tax by the vendor

from such consumer, or indirectly by adding the amount of such tax to the price of such fuel and paid by such consumer, shall be reimbursed and repaid to the extent of ~~5/9~~ 7/11 of the amount of such tax paid by him upon presenting to the State Tax Assessor a statement accompanied by the original invoices showing such purchases. Applications for refunds must be filed with the State Tax Assessor within 12 months from the date of purchase.

Sec. 7. 36 MRSA, §3025, first sentence, as last amended by PL 1971, c. 529, §7, is further amended to read:

An excise tax is imposed on all users of fuel upon the use of such fuel by any person within this State, only when such fuel is used in an internal combustion engine for the generation of power to propel motor vehicles of any kind or character on the public highways or turnpikes operated and maintained by the Maine Turnpike Authority, at the rate of ~~9¢~~ 11¢ per gallon, to be computed in the manner set forth in this chapter.

Sec. 8. 36 MRSA §3035, 3rd ¶, as last amended by PL 1971, c. 529, §8, is further amended to read:

At the time of the filing of said report each use fuel dealer shall pay to the State Tax Assessor a tax of ~~9¢~~ 11¢ upon each gallon so reported as sold or used, and the State Tax Assessor shall pay over all receipts from such tax to the Treasurer of State daily.

Sec. 9. 36 MRSA §3035, 5th ¶, as last amended by PL 1971, c. 529, §8, is further amended to read:

Each dealer paying or becoming liable to pay the tax imposed by this section shall be entitled to charge and collect ~~9¢~~ 11¢ per gallon only as a part of the selling price of the fuels subject to the tax.

Sec. 10. PL 1979, c. 439, Part A, §1, under the caption "29 DEPARTMENT OF THE SECRETARY OF STATE," is amended to read:

0077	Motor Vehicles - Administration...2-117		
	Unallocated	<u>4,066,377</u>	<u>4,173,265</u>
		<u>4,016,377</u>	<u>3,717,265</u>

Sec. 11. PL 1979, c. 439, Part A, §1, under the caption "16 DEPARTMENT OF PUBLIC SAFETY," is amended to read:

0291	State Police....2-681		
	Unallocated	8,443,538	<u>8,607,628</u>
			<u>8,307,628</u>

Sec. 12. PL 1979, c. 439, Part A, §1, under the caption "17 DEPARTMENT OF TRANSPORTATION," is amended to read:

0341	Transportation-Planning & Services..2-715		
	Unallocated	<u>730,809</u>	<u>768,000</u>
		630,809	<u>668,000</u>
0339	Highway-Administration ...2-701		
	Unallocated	<u>3,694,645</u>	<u>3,827,050</u>
		<u>3,594,645</u>	<u>3,627,050</u>
0330	Highway-Summer Maintenance..2-720		
	Unallocated	27,285,700	<u>28,719,900</u>
			<u>28,219,900</u>
0354	Highway-Winter Maintenance..2-741		
	Unallocated	<u>17,111,208</u>	17,908,874
		<u>16,611,208</u>	
0358	Highway-Bond Interest..2-749		
	Unallocated	<u>2,688,667</u>	<u>3,276,497</u>
		<u>2,469,267</u>	<u>3,065,897</u>

0359	Highway-Bond Retirement...2-751		
	Unallocated	5,180,000	17,860,000 <u>1,290,000</u>
0406	Highway-Highway and Bridge		
	Improvements....2-753		
	Unallocated	1,200,000	3,200,000 <u>2,900,000</u>
Total Allocations		95,008,943 <u>94,039,543</u>	95,786,207 <u>93,149,607</u>

Sec. 13. PL 1979, c. 439, Part A, §1, last ¶, is amended
to read:

Amounting to ~~95,008,943~~ 94,039,543 for the fiscal year ending June 30, 1980, and ~~95,786,207~~ 93,149,607 for the fiscal year ending June 30, 1981.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved, except section 1 shall take effect July 1, 1980, and sections 2 to 9 shall take effect on April 1, 1980.'

Statement of Fact

This amendment proposes to compensate for the expected shortfall in revenues of \$16,700,000 to the Highway Fund by:

1. Increasing fees for operators' license exams for increased revenues of \$306,000 per year;
2. Increasing the gasoline tax from 9¢ to 11¢ for increased revenue of \$13.1 million for the biennium; and
3. Reducing allocations to the Division of Motor Vehicles, State Police and the Department of Transportation.

The reduced allocations in the highway budget are described below:

PROGRAM	Amount of Reduction <u>1979-80</u>	Amount of Reduction <u>1980-81</u>
Motor Vehicle Administration	\$50,000	\$456,000
State Police		300,000
Transportation - Planning and Services	100,000	100,000
Transportation - Administration	100,000	200,000
Winter Maintenance	500,000	
Bond Interest	219,400	210,600
Summer Maintenance		500,000
Bond Retirement		570,000
Highway and Bridge Improvements		300,000
Total	\$969,400	\$2,636,600

Filed by Mr. Garsoe of Cumberland
 Reproduced and distributed under the direction of the Clerk of the
 House
 3/3/80 (Filing No. H-825)