

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 540

H. P. 488

House of Representatives, February 2, 1981

On Motion of Representative Pearson of Old Town, referred to the Committee on Taxation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Perkins of Brooksville.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

RESOLVE, to Reimburse the Frenchmans Bay Flying Club for Part of the Sales Tax Paid on the Purchase Price of Replacement Aircraft.

Preamble. Whereas, aircraft are a necessary form of transportation for goods and people; and

Whereas, the use of this method of transportation contributes to the economic well-being of the State; and

Whereas, the State gives trade-in credit for the sales tax represented by the value of aircraft traded in toward the sales price of another aircraft, as provided in the Revised Statutes, Title 36, section 1765; and

Whereas, failure to give a similar credit when aircraft must be replaced due to loss or destruction places an inequitable burden on owners of aircraft; now, therefore, be it

Reimbursement of sales tax. Resolved: That the Frenchmans Bay Flying Club which suffered a total loss of an aircraft due to an accident, and which purchased a replacement aircraft for \$29,356.29, be reimbursed by the State in the amount of \$1,260 for that part of the sales tax paid on the purchase price represented by the insurance payment made to the Frenchmans Bay Flying Club for the loss.

STATEMENT OF FACT

This resolve reimburses the Frenchmans Bay Flying Club for part of the sales tax paid when they replaced an aircraft lost due to an accident. The preamble of the resolve explains the present inequity in the law. The amount of insurance payment used in the repurchase was \$25,200. The tax paid on the insurance portion of the purchase price was \$1,260, which is the amount asked for in the resolve.