

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)

FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 804

H. P. 690

House of Representatives, February 11, 1981

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

EDWIN H. PERT, Clerk

Presented by Representative Hutchings of Lincolnville.

Cosponsors: Representative Wentworth of Wells and Representative Masterman of Milo.

STATE OF MAINE

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

AN ACT to Prorate the Excise Tax on Automobiles and Other Vehicles.

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

Sec. 1. 36 MRSA § 1482, sub-§ 2, as amended by PL 1979, c. 666, § 37, is repealed and the following enacted in its place:

2. Tax prorated on a 1/12 basis. The excise tax levied in this section on automobiles and other motor vehicles shall be prorated on a 1/12 basis for the registration period of the automobile or motor vehicle.

Sec. 2. 36 MRSA § 1482, sub-§ 5, first sentence, as amended by PL 1977, c. 479, § 19, is further amended to read:

Any owner who has paid the excise or property tax for a vehicle the ownership of which is transferred, or which is subsequently totally lost by fire, theft or accident or which is subsequently totally junked or abandoned, in the same calendar year or registration year, shall be entitled to a credit ~~to the maximum amount~~ **apportioned on a 1/12 basis** of the tax previously paid in such year or period for any one vehicle toward the tax for any number of vehicles, regardless of the number of transfers which may be required of him in the same calendar year or registration year.

Sec. 3. 36 MRSA § 1482, sub-§ 5, ¶ C, as amended by PL 1979, c. 666, § 38, is repealed.

STATEMENT OF FACT

At present there exists a gross inequity in the excise tax law pertaining to automobiles and vehicles. Upon transfer of a registration from an old vehicle to a new one, the owner can be assessed one full year's excise taxes on the new vehicle even though his utility term on the registration may only permit him a few months in which to operate the newly acquired vehicle. By prorationing the amount into 1/12ths, our communities will receive their fair share for the used life of the vehicle and the remainder of the registration year and the owner will be treated more equitably throughout the remaining running period of the registration.