

MAINE STATE LEGISLATURE

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1 (EMERGENCY)
2 SECOND REGULAR SESSION
3

4 ONE HUNDRED AND TENTH LEGISLATURE
5

6 **Legislative Document**

No. 1890

8 H. P. 1905 House of Representatives, January 27, 1982
Approved for introduction by the Legislative Council pursuant to
Joint Rule 26.

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

9 EDWIN H. PERT, Clerk
Presented by Representative L. Higgins of Scarborough.

Cosponsors: Representative Kelleher of Bangor and Soulas of
Bangor.

11 STATE OF MAINE
12

13 IN THE YEAR OF OUR LORD
14 NINETEEN HUNDRED AND EIGHTY-TWO
15

16 **AN ACT to Amend the Exemption from Sales and**
17 **Use Tax for the Sale of Certain Instrumental-**
18 **ities of Interstate or Foreign Commerce.**
19

20 **Emergency preamble.** Whereas, Acts of the Legislature
21 do not become effective until 90 days after adjournment
22 unless enacted as emergencies; and

23 Whereas, currently sales tax exemptions are granted for
24 the sale of certain vehicles which are placed in use as
25 instrumentalities of interstate or foreign commerce within
26 10 days of the sale; and

27 Whereas, many persons, through no fault of their own,
28 are unable to place the vehicles in use within 10 days of
29 the sale; and

1 Whereas, this inequity places a heavy burden on those
2 persons which must be corrected as soon as possible to pre-
3 vent more persons from being denied the exemption provided
4 by the law; and

5 Whereas, in the judgment of the Legislature, these
6 facts create an emergency within the meaning of the Consti-
7 tution of Maine and require the following legislation as
8 immediately necessary for the preservation of the public
9 peace, health and safety; now, therefore,

10 Be it enacted by the People of the State of Maine as fol-
11 lows:

12 36 MRSA §1760, sub-§41, as enacted by PL 1979, c. 686,
13 §2, is amended to read:

14 41. Certain instrumentalities of interstate or foreign
15 commerce. The sale of a vehicle, railroad rolling stock,
16 aircraft or watercraft which is placed in use by the pur-
17 chaser as an instrumentality of interstate or foreign com-
18 merce within ~~10~~ 30 days after that sale and which is used by
19 the purchaser not less than 80% of the time for the next 2
20 years as an instrumentality of interstate or foreign com-
21 merce. The State Tax Assessor may for cause extend for not
22 more than 30 days the time for placing the instrumentality
23 in use in interstate or foreign commerce. The State Tax
24 Assessor may, within 18 months of an extension granted under
25 this subsection, refund any sales tax collected if the owner
26 of the vehicle furnishes evidence which the State Tax Asses-
27 sor deems satisfactory that, through no fault of his own, he
28 has not had sufficient time to register and qualify for an
29 exemption. For purposes of this subsection, property is
30 "placed in use as an instrumentality of interstate or for-
31 eign commerce" by its carrying of, or providing the motive
32 power for the carrying of, a bona fide payload in interstate
33 or foreign commerce, or by being dispatched to a specific
34 location at which it will be loaded upon arrival with, or
35 will be used as motive power for the carrying of, a payload
36 in interstate or foreign commerce. For purposes of this
37 subsection, "bona fide payload" means a cargo of persons or
38 property transported by a contract or common carrier for
39 compensation which exceeds the direct cost of carrying that
40 cargo or pursuant to a legal obligation to provide service
41 as a public utility or a cargo of property transported in
42 the reasonable conduct of the purchaser's own
43 nontransportation business in interstate commerce.

